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Expands Retail Empire

Head of Canada's largest retail empire, 39-year-old John David Eaton, this week announced a further expansion of the business established by his grandfather, Timothy Eaton. The T. Eaton Co. Limited has purchased David Spencer, Ltd., British Columbia's largest retail store chain, which operates eight stores, employs more than 3,000 persons, and has extensive holdings of farms, factories and warehouses. The T. Eaton Co. Limited, which now operates 60 retail stores, in addition to numerous factories and foreign establishments, was established in Toronto in 1869; David Spencer Ltd. in Vancouver, five years earlier.

THE NATION'S BUSINESS

Real Facts Behind Ont. Hydro Crisis

On page 15 of this issue, The Post's K. R. Wilson, who has studied Ontario Hydro affairs for almost 20 years, does an exhaustive analysis of the background which has resulted in the present calamitous power shortage.

Unfortunately, this is now tangled in party politics. Unfortunately, violent partisanship has, in some cases, produced "reasons" which, to put it mildly, tell less than the whole story.

This Post article, the result of a very extensive and elaborate inquiry, makes it quite clear that the Hydro mess is the result not of any one man's policies, nor of any one circumstance.

Water levels in the Ottawa area are low. But they are not the sole cause of the power shortage. Even with normal water flow, southern Ontario would still be having considerable trouble.

It is true that the threat of power shortage was recognized at least by 1942. But war was raging and for some years after that was becoming constantly more intense. This raises an obvious question: Could Ontario have got the priorities necessary to proceed then with a big project like Des Joachims?

Like so much of the Hydro story, the answer is not clear-cut.

Hydro projects, in general, stood at the top of Ottawa's wartime priority lists, but each project had to be justified individually. The important fact is that at no time did Ontario Hydro make any specific application for priorities for Des Joachims.

Why was not application made? Was it because immediate war demands seemed more urgent? Was it because of political controversy over the development of the Ottawa river? Was it because officials thought there was likely to be a postwar depression?

All these considerations had weight. No one today can say clearly which was the more important factor.

But the war was beginning to turn in our favor by 1944. And Hydro's long-term vulnerability was well known, yet the actual contracts for Des Joachims were not placed until December, 1945. Turbines were ordered March, 1947.

When the terrific and unexpected upswing of power demands hit the system in 1946 and 1947, crisis was unavoidable. Added to that, came the catastrophe of drought, one of the very hazards against which Hydro had so long been unprepared.

What does seem clear is this fact: that reaching as far back as the Hepburn contract cancellations, the clogging complications of public ownership are apparent.

As The Post declared a few weeks ago: "In the Hydro mess, Canada has a demonstration of what Socialists offer on a scale multiplied many times."

The bigger an enterprise becomes (and Ontario Hydro is now one of the largest corporations of its kind in the world), the more vulnerable it is to the inherent weaknesses of the Socialist state.

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Farm Floor Price Headache Starts

The long-expected recession in farm prices has barely commenced but already the country faces a headache in carrying out its policy of maintaining farm floor prices. Closing the United Kingdom to Canadian apples started the trouble a year ago and now a much more serious situation faces us in regard to potatoes. (See article on page 9.) Despite the best efforts of the very competent officials administering Canada's policy, the national treasury could face staggering losses if any major decline in farm prices were experienced.

Everything will depend on the success of our officials in resisting the pressure in and out of Parliament to boost floor prices too high. The United States gives a glaring example of what can happen when local politicians and a powerful lobby combine forces.

In the U. S. as in Canada the potato crop this year is of bumper proportions. Production is well above average consumption. Under normal conditions such a situation would immediately start two corrective forces operating. Prices would fall sharply, encouraging greater consumption and plantings next spring would be reduced.

But the fantastically high U. S. floor price for potatoes completely defeats the law of supply and demand. American growers are assured an average floor price of well over $3 per cwt. Growers have discovered that they can make a nice profit, growing potatoes at $3 per cwt. and next year they will undoubtedly plant more instead of less for the government to buy and destroy.

It is to be hoped that Gordon Taggart and his staff in charge of Canada's farm price support program are able to keep that type of cockeyed policy out of Canada. But it wont be easy.

Here we also have floor prices, though so far we have been able to keep them well below the "grow more than ever" levels of the United States.

But for both Canadian apples and potatoes there is pressure from those who should know better not only to push floors higher, but to copy the farcical procedure in the United States where the produce destined for destruction is first expensively prepared as if for market.

Canadian taxpayers who will have to foot the bill for floor prices are not going to be amused if that expensive featherbedding is permitted in this country. And they are not going to like seeing good food destroyed, either, unless there is a most convincing explanation. Already, in regard to apples, consumers in the big cities of central Canada are wondering why they have to pay almost $10 a barrel for cooking apples, when good fruit in Nova Scotia can't find a market.

Why Delay Seeking U.S. Trade Pact?

Canada May Lose Valuable Bargaining Lever If 'Austerity' Restrictions Ended—Industrial Urban Areas Might Oppose Move

OTTAWA (Staff)—There is criticism and concern in some quarters here that the Government is taking no steps as yet to initiate new trade treaty discussions with the United States.

True, only a month has elapsed since the Truman Administration was confirmed in office, but the point is stressed that there is no evidence that detailed and lengthy preparations necessary for high levels discussion are in fact under way.

Before the election, it was argued that nothing could be done, until after Nov. 2. But now, with Mr. Truman solidly established with Democratic majorities in both branches of Congress, there is still no move by Canada to get ready for the momentous talks which are generally believed to be inevitable in the near future.

True, Finance Minister Douglas Abbott has been referring to the Canadian trade plight in public speeches here and in the United States. As well, Deputy Minister of Trade and Commerce, M. W. Mackenzie, is busy pointing to the obvious deterioration in Canadian exports to their countries. But behind this oratory there is as yet no indication of the solid stuff of preparation for a major trade discussion.

Valuable Bargaining Lever

Why hurry?

One obvious reason for getting at this matter soon, would be the fact that Canada's "austerity" regulations are certain to be eased materially in 1949. So long as they remain, they are an important bargaining weapon for Canada. Once they are removed (as many or most should be, prior to a general election in Canada), we have lost a big arguing point for obtaining U. S. concessions.

In short, we can't expect to get any credit for good deeds done in the past, any more than we got credit at Geneva in 1947 for our earlier political gesture in removing the farm implement tariff against U. S. imports. Once done, these things are water over the dam. But if trade negotiations could be carried on in the near future, while these important temporary barricades are still in place, there is no doubt they would be of value in helping to get concessions which would enable trade between the two countries to be expanded for the future on as broad a base as possible.

One argument advanced for caution by Canada at this time is this: that the United States may itself enlarge the scope of its own Reciprocal Trade Agreements Act, and thus give Canada a much more fertile field in which to negotiate.

Is Ottawa Afraid?

This Act does not expire until June 30, 1949. If we found there was a chance of enlarging its scope, it might be a powerful argument for delay. But there is no evidence here that anyone in Washington has even been approached on this matter, much less to get it on the Truman-St. Laurent level. In some quarters, it is argued that this is the most desirable, and possibly the only level, at which this matter might now be discussed. But before any such discussions took place, there would have to be much more activity here in Ottawa as to what Canada would be prepared to ask and what line the Government itself should take.

At this point the big political implications of a new approach toward reciprocal trade with the United States arise.

Is the Government disturbed by nationalist views in Quebec? Is it afraid of repercussions in the large urban centres of both Ontario and Quebec, where a reciprocal trade policy might be the most directly felt? Is it being frightened by such evidences of U. S. trade instability as the recent potato crisis? Or is it just so busy about a lot of other things?

Whatever the causes, the fact seems to be that for all its present and potential importance, we are marking time on this important question.

First Lumber Price Break Since Building Boom Began

By CLIVE H. CHATTOE

Canada's lumber price structure is sagging.

For the first time in the postwar period, the national average level of lumber prices has moved down. (And the trend has been noted by makers and users of wood and other building, furniture and packaging materials.)

But lumber's downslip hasn't yet reached slump proportions. At this juncture it presents no critical problem for producers and distributors, industry spokesmen tell The Financial Post. Higher grades, or "clears," they say, still sell fast at, or close to, 1947 prices.

Lower-grade lumber, on the other hand, almost suddenly has piled up in unsold stocks at sawmills and in local yards across Canada. It's selling slowly, and at $5 to $15 less per thousand board feet than it commanded three months ago.

Ontario and Quebec's "central region" low-grade lumber is least down— about $5 a thousand board feet, against $10 in the Prairie region, and $15 on the Pacific coast, industry officials say.

Vancouver at the moment is centre of Canada's biggest lumber price "scare." For the first time in two years, Britain has negotiated a contract to buy lumber from British Columbia—an order for 100 million board feet, worth $7 million and to run from Jan. 1 to June 30, 1949. But B.C. lumber producers say they're only moderately pleased—they "don't think the order will make much difference"; had hoped Britain's 1949 call might run to double the figure now determined.

British Columbia is reported nearing a position of overproduction in lower grades of lumber. Britain now asks specifically that (a) higher grades or "clears" make up at least 80% of its B.C. contract, and (b) the balance be of "good" quality. B.C. already has a pressing market for "clears" in United States as well as Canada, so the U. K. deal won't greatly alter price and supply in the Pacific coast market, producers tell the Post.

For lower B.C. grades, demand and prices are off sharply. Already the pinch is being felt in some marginal mils, especially in the interior of the province. Some operations without kilns or planers, whose output has been mainly "green" lumber, recently have faced an increasingly difficult selling job. More than 20 smaller mills in the B.C. interior have shut down since summer.

Here's 'Free' Gold Market, But--

N. Y. Firm's Open Trade Deal Can't Help Here

Canadian gold men who have so long hankered for higher gold prices won't get much comfort out of an American "new deal" on gold.

Bache & Co., N.Y. Stock Exchange members, are now going to sell and buy unrefined gold at more than the official $35 U. S. price. The selling price early this week was around $39-5/8 U. S. an ounce. The buying price in this Bache market is expected to fluctuate with supply and demand.

The Bache operation is quite legal, under U. S. law, and is based on the belief that many people regard gold as the ultimate repository of value and that some day the official price of gold will go higher.

In Canada, gold could also be traded at higher than $35 an ounce. The catch, however, is that there is only a small amount of gold available for trading in such a market because gold mines here are required to turn over their entire output to the Dominion Government when it is sold.

At least one Canadian mine, McIntyre, has a big and legal hoard of its own gold which it isn't for the present selling.

No Canadian could legally purchase gold from Bache & Co. in New York because it would be illegal to create a foreign obligation under F.E.C.B. regulations. Even if such a purchase were made, U. S. laws would prohibit export of the gold from United States.

Section 19 of the Provisional Regulations, U.S. Gold Reserve Act specifies:

"Gold in its natural state may be acquired, transported within the U. S. imported or held in custody for domestic account without the necessity of holding a license therefor."

Sale of refined gold without a licence is illegal in U. S. The gold offered by Bache is unrefined but has a 85% fineness or greater.

How Bache proposes to do its business is described by that firm as follows:

"We are in a position to sell natural gold in 100 oz. lots, for spot delivery or on contracts for future delivery. The gold will be packed in containers sealed by a responsible assayer, whose assay and weight certificates will accompany deliveries of the gold.

"The natural gold will contain a minimum of .850 fine gold. The price quoted will be in dollars per troy ounce of material delivered.

"Gold contracts for future delivery may be purchased on margin. At present, the margin required is $1,250 per contract of 100 oz., which must be maintained. The Treasury buying price for fine gold is $35 per ounce. The Treasury's buying constitutes in effect, a floor under the price at which contracts for natural gold could be resold. . ."

PRICES

Lumber prices are showing their first signs of postwar weakness.

Lower grades are piling up at sawmills and local yards right across the country; moving slowly at $5 to $15 less per thousand board feet than their price tags of last summer.

There's no sag in higher grades or "clears" yet. These are still in premium demand with prices at record levels. (See page 1 story.)

Leather and shoe prices are on their way up again. That's the word from Montreal as the Shoe Manufacturers' Association of Canada discussed the country's hide and leather situation.

Blame for the expected price rise was laid at the feet of diminishing hide supplies. U. S. embargo lifting, ERP purchases, and Argentine export controls all contributed to lowered hide inventories and advancing prices. Canada Packers hides, which a couple of months ago had dropped as low as 22c a lb. on standard grades, are today around the 29c level.

Potato Growers got the Ottawa answer to one of their problems last week.

After underselling U. S. producers all along the Atlantic coast by 50c to 90c a 100 lb. bag (The Financial Post, Oct. 9), Maritime spud producers lost their U. S. market. In a single move, the federal government clamped an embargo on all shipments of table potatoes to the U. S., and put a "floor" under market prices.

The new support price of $1.15 per 100 lbs. applies only to growers in New Brunswick and P.E.I., where it is estimated a

(Continued on page 2, col. 4)

Canada's Quota Of U. S. Steel Won't Change?

Doubt If Dominion Could Get More, Under Present Shortage

OTTAWA (Staff)—U. S. steel imports into Canada for the first quarter of 1948 are likely to be set at 200,000 tons, the same as the quota for the last quarter of 1948, The Financial Post is informed.

To date, Canada has placed only structural steels under formal import control. Quotas have been given importations of main groups in short supply within the 200,000-ton allocation; but only in the case of structurals was the specific allocation of 35,000 tons put under import control. The same situation is expected to prevail for the first quarter of 1949.

Actual importations of U. S. steel into Canada in the first quarter of 1947 and 1948 were approximately 240,000 tons on the basis used by U. S. officials. This means for 1949 a cutback of 40,000 tons or about 16% from what was required in the two previous years.

Against this, it is argued that with the shortage of steel as it now exists in the U. S., the figure of 200,000 tons is about the maximum which could have been obtained even without control.

No figures are available as yet as to how importations in the last quarter have been keeping within the limits set in the agreement with the U. S. To date no special project authorizations outside the 200,000-ton quota have been sought by Canada.

Socialism in Action Costly Saskatchewan Feels Pinch

CCF Government Forced to Curtail Services and Boost Levies; May Defer Flin Flon Highway

From Our Own Correspondent

REGINA — Hard-pressed for funds after four years of extravagance, Saskatchewan's Socialist Government has found it necessary to curtail some of its activities, eliminate a number of services and in one instance, to boost taxes.

The Government itself has hinted that the deviation from its original program is only a beginning. More policy changes are reported made necessary by the current financial position.

Recently Provincial Treasurer C. M. Fines announced the Government is "tightening up its pursestrings." The province had reached the limit of its spending, he added, and departments now preparing estimates for 1949-50 had been warned to keep their expenses down to the level of the present year's expenditures.

"In some instances," he said, "this may mean a reduction in services provided or in staff."

Education Tax Stays

Failure to rescind the 2% education or sales tax, as promised during the 1944 election campaign, has lost the Government a lot of support. The tax was introduced in 1937 by the Patterson (Liberal) administration.

While the tax was removed from foodstuffs Sept. 1, 1946, and taken off drugs at the 1947 session of the legislature, it remains on practically all other goods and articles. Mr. Fines says 60% of the tax has already been wiped out. The levy, however, is still in effect, and produces approximately $6 millions a year. Before the war, it brought about $4 millions.

That the tax is disliked by CCF followers as well as by the public generally, may be seen from attempts made at provincial conventions in 1947 and again this year, to have it rescinded. Resolutions from constituency organizations urged that the tax be wiped out; but the main convention did not pass any such resolution.

Last August Premier T. C. Douglas announced that cost of the province's hospitalization plan had increased so sharply that it was necessary to boost the hospital tax. Formerly $5 per person, with a maximum of $30 per family, the tax for 1949 is $10 per adult, $5 for each dependent child under 21, with the maximum of $30 per family still in effect.

The strain on the provincial treasury of rising costs all down the line resulted in the Government's abandoning construction of its new 500-bed hospital at the University of Saskatchewan. The province is reported to have spent close to $1 million on excavation work and foundations.

A report from Flin Flon suggests the Government is considering postponing further work on the $1 million 140-mile highway from Nipawin to Flin Flon, started in May, 1946, and scheduled for completion by late 1949.

Businessman's Guide Book

Directory of Directors, 1949 Edition is Now Ready For Delivery

Listing over 8,000 directors of Canadian companies, The Financial Post Directory of Directors, 1949 edition, is now ready for distribution. This directory, now in its eighth edition, is an invaluable reference book for business executives, marketing agencies, editors, investors.

In 420 pages are listed alphabetically the names and executive titles of directors and officials of representative public and private companies in practically all business fields: industrials, public utilities, merchandising, trust and loan companies, life and fire insurance, publishing, newspapers, banks, investment companies, mining and oil companies.

The directory thus presents in concise form a personnel guide to Canadian business. Information given has been carefully checked. In the first place it was submitted to individuals for verification and where the request brought no response data were compiled from official annual reports and other such reliable sources.

Entries are as exhaustive as possible, include home address, clearly indicate the individual's principal business connection.

Copies are obtainable from Maclean-Hunter Publishing Co., 481 University Ave., Toronto at $8 postpaid.

More 'Cuff' Sales In Used Car Boom

Prices, Demand Still High – Dealers See No Break for at Least Six Months – Jump in Time-Buying Indicates Money Tighter

By RONALD WILLIAMS

The used-car market, one of the most sensitive economic barometers, is still booming.

In the United States, prices are reported off 10%-40%. There may be the odd soft spot here, but a survey of Toronto dealers shows prices and demand still holding up.

What is more, leading used-car operators see no sign of a break for at least six months. However, there is one straw in the wind: more people are buying cars on time. This is true of new cars as well.

One of Toronto's largest dealers said last month was the best November he'd had in six years. Others reported seasonal slowing down; but nearly all said it wasn't as noticeable as usual.

"Prices haven't come down a dollar," commented one when questioned about full-page ads announcing price cuts.

Another admitted that it might be possible to get the odd late model car $200 or $300 more cheaply; but in nine cases out of 10 there would be a good reason for it.

Still Paying Premium

A survey of dealers along Canada's "Used Car Row," a 10-block stretch of Toronto's Danforth Ave., shows they are still paying up to $300 premium for new Chevrolets, Pontiacs, Plymouths and Dodges.

Add to this the used car dealer's markup, and by the time the customer gets a car, he's paying out at least $400 more than the manufacturer's price.

Incidentally, if you happen to have a 1948 Cadillac lying around the garage, you can get $1,000 more than you paid for it from almost any dealer.

New Ford products draw premiums of $50-$100. The reason the bonus is lower than on Chevs. or Plymouths is that the original price is that much higher (about $250 on Fords and Meteors) thus putting them beyond the reach of many potential used-car customers.

This week, for example, a man took his brand new Ford to a big Toronto dealer. It was a custom job, loaded with extras. He had paid $2,520 for the works. The owner wanted more than that for it.

The dealer said he had to turn it down. By the time he added the premium the owner wanted and his own markup, the price would have been prohibitive for a car still in the so-called "low-price" range."

Ford 1946-48 products, are still holding firm. If they're clean, dealers are grabbing them for what they cost originally.

Old Models Wanted

Older models are slightly higher, if anything. Cars in the $1,000 bracket are going like hot cakes. This is the only sign that money is tightening up. Once 1946-47 cars were in greatest demand. Now 1939-42 models top the list.

Meanwhile, new cars are just as hard to get. There is every indication that they will be a lot harder before they get easier.

For the first 10 months of this year, sales of cars, trucks, buses, were down 10%. However, this was not due to any substantial lessening in demand. Most of it could be attributed to fewer cars

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Inside News

Why the Power "Crisis"?

Why is there an Ontario power crisis? How long will it last? Can any person be named responsible? What are the full facts behind this calamity which has blacked out Ontario homes, slowed down its industry? What's ahead? Here for the first time all the facts are placed on record in an impartial and authentic survey of the situation (p 15).

Advice to Old Parties

What should Canada's old-line political parties do to counter the CCF threat in the next federal election? Thorough organization, sound, constructive policies, and high-calibre candidates, are among the steps suggested by informed Canadians, in discussing the question (p 8).

Keep Pace With Market

Market conditions are changing, though sometimes imperceptibly. If yours is an old-established business, it is particularly important to study such trends, and to adapt your operations to them. Sometimes this may call for a change in operating methods, sometimes a change in location. Article 11 in The Financial Post's series "How to Make Your Business Grow" (p 7).

They Guard YOUR Stocks

More and more Canadians are trading on the stock market daily but relatively few of them actually see the "color" of the stocks they buy; they leave their shares in the safekeeping of brokerage houses. What makes such keeping safe? Read how the Toronto Stock Exchange polices its members, and safeguards customers' interests (p 19).

Compton Dividends Up

Four companies in which Compton holds stocks, boosted their dividend rate in the month ended Nov. 15. Current market value of Compton's account ($10,000 when first taken over in December 1944) is $13,550.27, an average yield of 7.72% on the original investment. Managed Investment (p 5).

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Imperial Cuts Crude Price

Imperial Oil has announced reductions in the price of crude oil in Alberta fields and in price of gasoline, kerosene, tractor distillates and Diesel fuels throughout Alberta and Saskatchewan. Here are the reductions:

Price cuts of gasoline, kerosene, tractor distillates and Diesel fuels range from 2.4 cents a gallon at Edmonton to 1.5 cents a gallon at Calgary. Crude oil price reduction of 43 cents a barrel at wellhead in Turner Valley and 52 cents a barrel at wellhead in Leduc, Woodbend and Redwater have been made.

Pace of Business

Employment index (DBS, 1926=100) advanced 0.4% to 202.6 on Oct. 1 (201.8 at Sept. 1 and 194.8 at Oct. 1, 1947). Average weekly earnings in the eight major industrial groups went up to $41.79 on Oct. 1 ($40.86 at Sept. 1 and $37.39 on same date last year).

Sea catch of all species of fish totaled 114,167,000 lb. during October, with a landed value of $6,219,000 (148,161,000 lb. valued at $5,083,000 in Oct. of last year). For first 10 months, landings aggregated 1,039,722,000 lb. worth $53,614,000 (948,006,000 lb. at $40,458,000 in same period of last year).

Refrigerator manufacturers turned out monthly record of 12,349 domestic type electric units in September (9,531 in August and 10,123 in Sept., 1947). In first nine months aggregate production totaled 99,736 units (40% above last year's total of 71,189).

Raw cattle hide stocks in hands of tanners, packers, and dealers at end of Sept. amounted to 389,600 (up 12.2% from August's 347,200, but down 24.5% from 516,400 on same date last year), reports DBS.

Sawn lumber production in Canada amounted to 525,377 M f.b.m. in September (553,715 M in Sept., 1947), according to DBS. All-Canada output for first nine months totaled 4,323,539 M f.b.m. (4,333,014 M).

Canned peaches pack this year amounted to 2,176,238 doz. cans (up 171,744 doz. from 1947's 2,004,494). Net weight of 1948 pack: 36,249,157 lb. (34,096,789 in 1947).

Canadian wheat stocks in store or in North America at midnight on Nov. 18 totaled 183,999,000 bus. (up over 33 million bus. from last year's corresponding total of 150,863,000), according to DBS.

Leather footwear production amounted to 2,811,000 pairs in September (2,862,000 in Sept. last year). First nine months' output totaled 23,709,000 pairs (down almost 16% from 27,428,000 in same period of 1947).

Carloadings on Canadian railways for the week ended Nov. 20 advanced to 86,961 cars (84,198 previous week; 86,520 in same week last year).

Asbestos production reached a record total of 68,400 tons in September (58,400 in September of last year). Cumulative first nine months' production totaled 522,700 tons (479,000 in same period last year).

Rain, Snow, Ease Cutoffs In Northern Goldfields

By CLAUDE TAYLOR

Prewinter snowfalls and flash floods in the Ontario Hydro's Abitibi Canyon System brought "Christmas Cheer" a little early this year to northern Ontario's mining camps. Power quotas imposed Nov. 8 on the gold, nickel and silver producers in the restricted area were temporarily abolished after being in effect about one week, The Financial Post learns.

A period of abnormal rainfall, shortly after introduction of the 87% power quota, as based on April to September consumption, speeded up generating capacity in the Abitibi and associated systems and provided surplus for the mining camps. However, municipalities while receiving upward revisions in energy are still operating on a quota system.

Milling operations and underground development, at most properties, have returned to prequota basis and management is hopeful that several weeks will pass before Hydro officials will find it necessary to reinstate the quota system.

The producing mines in Quebec continue to operate on the 10% cuts introduced a short time ago by the Quebec Hydro Commission and the Northern Quebec Power Co. Vice-president and General Manager B. V. Harrison, Northern Quebec Power Co., says that rains have improved the situation somewhat but that there hasn't been sufficient rainfall to eliminate cuts. The company is hoping to get along without increasing the power cuts further.

A general program of power conservation has been adopted by the producers in Algoma, Cochrane, Nipissing, Sudbury and Temiskaming districts — areas most affected by the earlier power cuts. One Kirkland camp revamped operations and shifts to coincide with the 13% power cut and has since declined to use up the "surplus" balance now that quotas have been lifted, feeling that relief will be of a temporary nature only.

Kerr-Addison Gold Mines has been able to switch off the Diesel plant which operated on a 24-hour basis to make up the 13% deficiency. The plant was able to generate between 1,000 and 1,100 hp which was about sufficient to replace loss through power cuts. Company is hopeful that the improved supply picture will continue through January when it expects to increase milling operations to 4,000 tons daily.

Operators in the Red Lake-Pickle Crow camps and in the Steep Rock area of northwestern Ontario were not affected by introduction of the quota system, as those areas have had an adequate supply of power. Installation of an additional unit capable of generating 5,500 kilowatts in the Ear Falls plant has assured the district of abundant supply.

Continuation of full supply to Ontario's mines depends almost entirely on volume of rain or snow from now until freezeup.

Used Car Prices Still Up But More Bought on 'Cuff'

(Continued from page 1)

being available. Ford was shut down during this summer's model change; which cost around 500 units a day.

Next year the same situation will prevail; the other two members of the "Big Three" are due to start changing over to their first new postwar models.

General Motors will likely close down around Christmas to permit changing of dies, tools and equipment. The first of the new models — a truck — will probably appear early in January.

First of the new passenger cars — probably Pontiac — will appear about two weeks later. It will be some time after that before they will be in real volume. New G. M. models went on display for U. S. dealers last week. Chrysler is expected to start changing lines about the same time.

All signs point to further price increases, thus strengthening used car prices. When the new Fords came out, prices jumped around 17% in Canada. Another advance may be in the cards. In Philadelphia recently, Henry Ford II warned another round of wage increases seemed certain, therefore another price increase would inevitably follow.

On new Buick and Cadillac models introduced recently in the United States, price increases were not so big as some authorities expected. In Buick's case, the jump was about 4%; Cadillac, only 3.2%.

Some U. S. observers seem to think these comparatively small Buick and Cadillac boosts may have arrested the general trend, which saw some makers hoist prices 20%. Whether this will have any effect on Canadian manufacturers is doubtful, in view of the current spread of around $250 between new Fords and today's Chevrolets, Plymouths and Dodges.

Obituaries

Henry Beaudoin, 41, Windsor, Ont., contractor.

Frederick W. Bond, 68, Toronto, pharmacist.

John M. Brewis, 43, Toronto, partner Brewis & White, mine operators.

W. Oliphant Bell, 77, Vancouver, mining executive, secretary-treasurer Coast Breweries.

Herschel E. Brown, 58, Edmonton, proprietor Brown Cleaners.

William George Cowan, 55, Shawville, Que., owner and editor, The Shawville Equity.

Capt. Melville Hornsby, 58, Montreal, assistant berthing master, National Harbors Board.

Thomas Jeremy, Vancouver, director David Spencer Ltd.

Paul C. Jones, 52, Richmond, Va., director (and former president) Dominion Rubber Co.

Wilfrid Coyne Kettlewell, 69, Toronto, former president Charles Bush Ltd.

Wm. M. Lahey, 83, Brantford, former CPR express, telegraph and passenger agent.

John Joseph Lonergan, 62, Sutton West, Ont., founder Lonergan Transport.

Judge James Parker, 75, Toronto.

David F. Martin, 70, Toronto, former CPR district representative.

Frank Douglas Macorquodale, 71, Montreal, former superintendent of agencies, Sun Life Assurance Co. of Canada.

Charles Strange Macdonald, 75, Toronto, chairman of board, Confederation Life Association.

William John McLeod, 65, Toronto, executive National Grocers Co.

William Louis Swarts, Windsor, Ont., district manager, Canada Bread Co.

Richard Stephens, 67, Toronto, dry goods merchant.

D. H. Taylor, 72, Montreal, former bond dealer and broker.

Louis Jacques Westwood, 76, Toronto, president Lloyd & Westwood Machinery Co.

PRICES

(Continued from page 1)

maximum of about 20 million bushels will be affected.

Effective Dec. 1, the new export control will give some leeway to seed potatoes. Export permits will be granted to only bona fide seed dealers under a specific schedule to correspond with U. S. seeding conditions. (See page 9 story.)

Metal prices fell off their fast pace last week, but it looked as if some were just getting up their second wind.

Settlement of the longshoremen's strike gave some supply relief to copper, lead, and zinc consumers, but:

Copper supply was still being badly hit (to the tune of about 23,000 tons a month) by the shutdown of the Kennecott Utah mine. And consumers were paying gray market prices of four and five cents over the 23.5c a lb. prevailing price.

Lead demand persisted through the week despite lagging supplies. Mexican lead was reported at 25½c a lb., while offers of foreign origin lead and scrap recovery lead have ranged in the 25c to 26c area (official price: 21½c).

Silver was still slipping. This time to the tune of 3½c, bringing price to 70¼c—lowest since Sept. 3, 1947, and 7½c off the year high posted a couple of months ago.

Wholesale commodity prices were still climbing in October. The DBS general index (1926=100) gained one point over the month to reach an almost-record high of 159.2.

The new total was the highest posted since August, 1920's 160.2, and was 19.9 points over October, 1947.

Sub-group indices stood as follows (September totals in brackets):

Vegetable products, 139.0 (138.5); animal products, 177.5 (178.4); textile products, 160.7 (159.8); wood products, 193.8 (189.3); iron products, 165.3 (165.0); nonferrous metals, 159.9 (155.8); nonmetallic minerals, 137.3 (137.1); chemical products, 126.2 (126.8).

Used car prices may be on the way down in the U. S., but there is no sign of a break here.

A survey of Toronto dealers shows both demand and prices holding up well, and no indication of anything different for at least six months. Only new factor: more people are buying cars (old and new) on time payment plans. (For details, see page 1 story.)

Look For It Here

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Ask $2.50 Bushel On Wheat to U. K.

From Our Own Correspondent

CALGARY — Alberta Wheat Pool, in convention here, called on the Canadian Government to "insist" on a price of $2.50 a bushel for wheat under the U. K.-Canadian agreement for the 1949-50 crop year. The resolution stated that western producers have submitted since 1946, to sale of the bulk of their wheat, at prices below those received by other nations.

Current Year Even Better, Cdn. Breweries

Consolidated profits of Canadian Breweries for the year ended Oct. 31, 1948, after absorbing a minor loss by Brewing Corp. of America, are the highest in history, Chairman E. P. Taylor states. Profits on the increased capitalization of 2.2 million shares were as much a share as they were on the smaller number of shares outstanding in the previous year. These profits were after greatly increased depreciation charges and some considerable expense associated with dislocation of production in the U. S. subsidiary, largely of a nonrecurring nature.

The Canadian plants continue to operate at capacity and are still unable to meet the full public demand for products, it is said. Directors believe that results for the current fiscal year should be even better than for the year just ended. Due to the greatly increased productive capacity of the plant at Cleveland, Ohio, it will take some time to build the business in the United States up to its full potential, Mr. Taylor states. It is anticipated that the development of the American subsidiary will for some years require a policy of conservation and reinvestment of profits, which should eventually greatly enhance the position of the shareholders of the parent company.

Record Output For Washers, Clouds Ahead

Washing machines are rolling off Canadian assembly lines at a record rate; it reached a 1,000-a-day clip in September. Production for first nine months of this year zoomed 53% above same period last year. Manufacturers are enjoying record earnings and market absorption point is still a year away for most popular lines, industry officials tell The Financial Post.

All is not rosy in the industry, though. Dark clouds loom ahead—raw material supply problems. Sheet steel is getting tighter and suppliers are already predicting drastic allocation cuts for the first and second quarters of 1949. Most appliance manufacturers have an inventory position sufficient to carry them well into the first quarter but substantial production cut-backs are expected in the second and third quarters of next year.

Increasing priority orders closely allied with defense programs coming on top of cut in U.S. steel imports is making the difference. There is just not enough raw steelmaking capacity in the country to meet all demands, steel men say, and Ottawa will be having an increasing say from now on about where available supplies of sheet steel will go.

Alcan To Get More Water At Shipshaw?

MONTREAL (Staff) — Possibility that Aluminum Co. of Canada will get more water to operate its Shipshaw power plants was held out by Premier Duplessis last week, when he announced that Hydraulic Engineer A. B. Normandin has been appointed to study the problem of increasing hydro supplies in the Lake St. John district.

This announcement coincides with abnormally low water levels in Quebec this fall, and a resultant reduction in power production. Alcan recently reported that it had been forced to close pot lines in Shawinigan Falls and in Arvida.

It is understood that Mr. Normandin will examine a program of water diversion which Alcan has had in mind for more than a year. At the No. 1 and No. 2 Shipshaw plants, Alcan has power plants with a total rated capacity of approximately 1.5 million h.p. With the exception of the spring run-off period, it is understood that there is not sufficient water available from the Lake St. John-Saguenay River system to operate the plants at capacity.

Joy Mfg. Buys Whitehall Firm

Purchase of the plants, equipment and going business of Whitehall Machine & Tools Ltd., Galt, Ont., by Joy-Sullivan of Canada Ltd. and changing of the latter's name to Joy Manufacturing Co. (Canada) is announced by J. A. Drain, Joy's vice-president and general manager.

For the past year, Joy-Sullivan has rented one of Whitehall's plants and has subcontracted considerable machine work to another plant of that company. Joy Manufacturing Co. (Canada) will expand the manufacture of its own line of equipment and will also continue the business carried on by Whitehall, Mr. Drain states.

Last spring the parent company, Joy Manufacturing Co., Pittsburgh, entered into an agreement with Dominion Steel & Coal Co. which provided for construction of Joy's mechanized coal mining machine at Dosco's Trenton, N.S. plant, when, as, and if the Canadian Government approves the company's over-all mechanization program. (The Financial Post, Nov. 27).

COMPANY REPORTS

MARCUS LOEW'S THEATRES net profit for the year ended Aug. 25, 1948, was up narrowly at $104,755 ($98,339). Operating profit for the Yonge St. (Toronto) Uptown theatre, before depreciation, salaries, and goodwill write-off, was $285,019. Working capital at $304,226 showed a sharp improvement over previous year ($167,949).

INCOME ACCOUNT

Periods Ended:	Aug. 25 1948	Aug. 27 1947
Net earnings	$276,170	$278,284
Less: Depreciation	29,852	29,595
Goodwill, etc., w/o	41,000	41,000
Tax reserve	100,563	109,350
Net profit	104,755	98,339
Less: Pref. divds.	......	22,887
Com. divds.	30,000	30,000
Surplus for year	74,755	45,452
Earnings per Share and Dividend Record:		
Pref.‡: Paid	......	$3.50
Common	$13.97	10.06
Paid	4.00	4.00

‡Redeemed Mar. 31, 1947.

CONDENSED BALANCE SHEET

As at:	Aug. 25 1948	Aug. 27 1947
Total curr. assets	$388,246	$248,250
Misc. assets▴	51,137	48,107
Goodwill, etc.	586,000	627,000
Fixed assets*	757,396	780,948
Total assets	1,782,779	1,704,305
Total curr. liab.	84,020	80,301
Pref. red. res.	653,900	653,900
Capital stock	750,000	750,000
Surplus▴	294,859	220,104
*After depr. of	1,140,953	1,111,538
▴Incl. ref. EPT	38,037	39,000
Working capital	304,226	167,949

St. John Ambulance First-aid Seen Big Saver in Factories

It's a demonstrable fact, reports St. John Ambulance Association (Order of St. John), that skilled and prompt first-aid treatment lessens both severity and incidence of industrial accidents. And that, St. John officials say, means a lot to management and labor alike in commercial and industrial establishments where selected or volunteering personnel is taught "what to do before the doctor comes."

Gain is seen to management and worker alike from (a) increase safety consciousness on the part of all employees, tending to increase caution against hazard thus reduce the number and severity of accidents, and (b) reduced loss of productive manhours when accidents occur—since it is held, timely and effective first-aid modifies injuries, hastens recovery to active health and normal skill.

Industrial accidents boost production costs and lessen productive efficiency, St. John Ambulance says in its current nation-wide campaign for a $600,000 public contribution. These accidents take enormous human and dollar toll in industry every year in death and injury and in loss of production and personal income.

The latest annual report of the Ontario Workmen's Compensation Board records 169,000 accidents for 1947 in that province alone, up 21% over 1946.

St. John Ambulance points out that this toll is continuing; that it amounts to a major problem of business; that Canada's industrial accident loss would be an even greater burden if St. John free first-aid instruction and treatment weren't available in hundreds of industrial and commercial establishments across the country.

That the claim may be well founded is indicated by (a) Ontario statistics which show St. John training on the rise throughout industry, and (b) statements by leading employers, such as Steel Co. of Canada, Canadian Pacific Railway, Bell Telephone and Massey-Harris Co., as to effectiveness of St. John trainees and training in those giant establishments.

Business in Toronto with annual sales of $350,000.00 desires partner for purposes of expansion. Approximate requirements, $25,000. Principals only. Write
Box No. 243,
The Financial Post, Toronto, Ont.

ENGINEER WANTED
Engineering sales company located in Montreal, who manufacture and distribute various specialties, desires the services of a Mechanical or Electrical Engineer for the planning and development of new products.
Please give an outline of your experience and state salary desired, etc.
Box No. 242,
The Financial Post, Toronto

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Alberta Government—H. E. Bendickson, secretary, Industries and Labor Department.

A & P Food Stores—E. H. Capstick, assistant to general manager; G. N. Provost, Canadian sales manager; F. C. Kennedy, assistant Canadian sales manager; Geo. R. East, advertising manager.

B. F. Goodrich Rubber Co. of Canada—Eric V. Bennett, manager Portage Ave. store, Winnipeg.

Brown's Radio-Electric (Winnipeg)—Geo. P. Fraser, sales manager in charge of electrical appliances and lighting.

British Columbia Telephone Co.—R. W. J. Angus, district commercial manager, Victoria and Vancouver Island.

Canadian Admiral Corp. (Long Branch, Ont.)—Denis Olorenshaw, advertising manager.

Canadian Chamber of Commerce—A. G. Partridge (Toronto) chairman, executive, committee; J. H. Brace (Montreal) vice-president.

Canadian Exhibition Association—W. D. Jackson (London, Ont.) president; Elwood A. Hughes (Toronto) vice-president; J. K. Clarke (Ottawa) secretary.

Montreal Curb Market — Roger Belanger, a member.

Central Vermont Railway — Edward A. Bromley (Montreal) vice-president in charge of purchases.

Canadian General Electric Co. — J. H. Smith, manager Toronto district apparatus division; F. A. Sutton, manager Toronto district supply division; Geo. M. Brydon, carboloy die specialist.

Canadian National Railways — A. R. Wilson, superintendent, St. Thomas division; G. O. Baker, assistant superintendent, Truro, N.S.; J. A. Salterio, port agent, Halifax.

Canadian International Travel & Tours Co. (Toronto) — Chas. H. Chaytor, general manager.

Distillers Corp.-Seagrams Ltd.—Ellis D. Slater, a director.

Ditto of Canada Ltd. — J. W. O'Hara, district sales manager, Montreal; G. C. Sutcliffe, district sales manager, Ottawa.

Dominion Government—Frank L. Curtis, postmaster, Hamilton.

Federal District Commission (Ottawa)—Mrs. Cora T. Casselman (Edmonton) a member.

Fruehauf Trailer Co. of Canada—Robert T. Hazell, vice-president.

James Lovick & Co. —R. A. Barford, manager eastern operations.

Mail Advertising Service Association, International (Toronto Chapter)—Sydney Sugarman, president; E. Lowcock, vice-president; Mrs. Alice Klann, secretary-treasurer.

Mt. Royal Color & Varnish Co.—Roger Lamontagne, president and general manager.

Maritime Commercial Travelers' Association—F. A. McLean (Saint John) president; Geo. W. Wilson, W. M. Lundy, Roy C. Kennedy, vice-presidents.

Manitoba Retail Implement Dealers' Association—G. C. Dally (Kenton) president; J. C. Cory (Virden), S. S. Hunt (Dauphin), vice-presidents; Walter R. W. Henderson, secretary.

Northwest Industries Ltd. (Edmonton)—Gordon L. Best, manager, aircraft division.

Radio Station CFAC (Calgary)—G. B. Mannix, sales staff member.

Royal Bank of Canada — A. F. Mayne, assistant general manager.

Swift Canadian Co.—W. J. Henderson, a director.

The Ensign (Kingston, Ont.)—John S. Conholley (Ottawa) managing editor.

Young & Rubicam, Ltd. — G. T. Berthon, (Toronto), vice-president.

Trans-Canada Air Lines — John Q. Stuewe, traffic representative, Sydney, N.S.; T.C. Chisholm, passenger agent, Sydney; Arnold W. Penner, station manager, Port of Spain, Trinidad.

United States Government — Walton Canby Ferris, consul-general, Quebec City.

British Columbia Telephone Co. announces the retirement of T. P. Waters, district commercial manager, Victoria and Vancouver Island.

Dominion Government announces the retirement of Victor M. Meek, controller and chief engineer, Dominion Water and Power Bureau.

Central Vermont Railway announces the retirement of D. McK. Ford, vice-president.

Trans-Canada Air Lines announces the retirement of Walter S. Thompson as director of public relations and advertising. (Mr. Thompson will continue in that capacity with the Canadian National Railways).

WANTED
EXPERIENCED MANAGER for large old established Wholesale Paper & Stationery Distributors in Western Canada—covering Alberta, British Columbia and the Yukon.
Applications will be held in strict confidence.
Apply before December 12th giving age, experience and salary expected to "Advertiser" care Walter Gow, K.C., Blake Lash & Company, 25 King Street West, Toronto. Selected applicants will be interviewed in Toronto or Montreal between 14th and 20th December.

SPACE FOR RENT
8000 square feet
NEW BLDG. — MAIN FLOOR
Central Toronto Location
POSSESSION EARLY IN YEAR
BOX 244, THE FINANCIAL POST, TORONTO

SENIOR SALES EXECUTIVE AVAILABLE
Coast to coast suuccessful record in selling, sales organization and advertising. Outstanding achievements in specialty and household appliance field. Highest references from Canada's business leaders.
Communicate in first instance with:
GRANT ADVERTISING (OF CANADA) LIMITED
103 Church St., Toronto

SALES and PRODUCTION
Manager, B. Com., age 40, bilingual, seeks new work. Successful background and broad experience in organisation and planning. Of particular value to enterprises with expansion problems. Available Jan. 1st.
BOX 248, THE FINANCIAL POST, TORONTO
OR PHONE MONTREAL CRESCENT 3039.

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CANADIAN PAINTINGS
PRICES START AT $35
A COMPREHENSIVE EXHIBITION, INCLUDING WORKS BY MANY OF CANADA'S OUTSTANDING ARTISTS
Emily Carr
Blair Bruce
J. W. Beatty
Tom Roberts
F. A. Verner
Henri Masson
Wm. Winter
Homer Watson
Horatio Walker
Frank Panabaker
Thomas Mitchell
York Wilson
F. H. Brigden
A. Y. Jackson
Lawren Harris
Tom Thomson
L.A.C. Panton
Arthur Heming
Winchell Price
Robert F. Gagen
Frank Hennessey
George Thomson
Cornelius Krieghoff
Grace Coombs
Fred S. Haines
Roland Gissing
Franz Johnston
Alfred J. Casson
Clarence Gagnon
Manly MacDonald
Yvonne Housser
George Chavignaud
J. E. H. MacDonald
Frederick H. Varley
Galleries open each day except Sunday from 9 a.m. to 6 p.m.
A. R. Laing G. Blair Laing
Laing Fine Art Galleries
60 Bloor St. East — Toronto, Ont.
"PICTURES FOR LASTING PLEASURE"

It Won't Be Long Now!
Skiers! be patient! . . . the first snows are not far off! In the meantime, why not enjoy yourself? . . . Browse through the large and varied assortments of ski togs and accessories at
EATON'S

SHOULD YOU SELL?
There may be several good reasons for considering the sale of your business.
As confidential agents and analysts, with extensive Canadian and American connections, we have many principals with capital ranging from $25,000 to $5,000,000 and more, interested in acquiring a wide variety of industrial and commercial businesses.
Confidential discussion is invited.
W. H. BOSLEY & CO. — Business Sales Dept.
28 Adelaide Street W., Toronto, Ontario

51%
Sale of controlling interest in profitable wooden box and packing case business necessary, due to illness of owner. Sales 1947 approximately $400,000.
This old established business located in the Montreal area has made consistent profits for its owners over a period of many years. Price Approximately $100,000.
N. S. BROOKE, MANAGER
INDUSTRIAL DEPARTMENT GUARDIAN TRUST CO.,
618 St. James Street, Montreal, PLateau 8251

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

SECRETARY—MALE. Do you need an extra right hand? Competent, quick-thinking, energetic; senior matriculation, honour secretarial graduate, 2 years commercial teacher. Experienced correspondent, office appliances, accustomed to responsibility. Veteran pilot, age 28. Box 246, The Financial Post, Toronto 2.

POSITIONS AVAILABLE

MALE HELP WANTED
ACCOUNTANT, EXPERIENCED, for office and credit manager of progressive well-rated manufacturer central Western Ontario. Must be good cost man, alert and resourceful. Permanent position, excellent future. Submit photograph, age, education, experience, salary desired and full details in first letter in absolute confidence to Box 234, The Financial Post, Toronto 2.

PLUMBING & HEATING SALESMAN
HERE IS AN OPPORTUNITY for a progressive salesman who would like to better himself—one who is fully experienced and conversant with the plumbing and heating trade.
Applicant must be able to estimate all phases of plumbing and heating. Capable of selling to building industry and general public.
Reply in own handwriting, state fully, education, experience, age, and salary expected.
This is an excellent opportunity for the right man to progress with a large established plumbing and heating contracting company. Our staff have been advised of this advertisement. Box 247, The Financial Post, Toronto.

AGENCIES WANTED

WELL-ESTABLISHED SALES AGENCY covering Maritime Provinces and Newfoundland desires additional lines for distribution to wholesale hardware and department store outlets. Box 241, The Financial Post, Toronto.

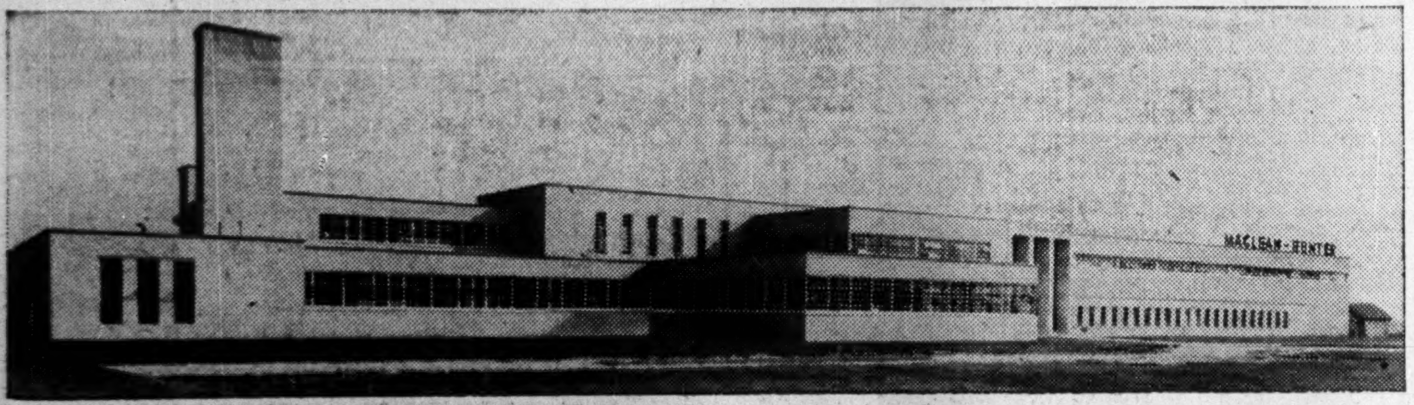
REAL ESTATE

GEORGIAN BAY
Game Preserve Near Parry Sound
The only large undeveloped island, 12 miles from Parry Sound, available for a club, residence or resort, containing 583 acres with miles of sandy beaches, rocky points, shallow and deep bays. The island encloses a small lake on which is a small island. This lake could be stocked with muskrats and is an ideal spot for ducks and deer, the latter wintering there. Fishing is abundant and a cedar ridge, running lengthwise through the centre of the property would provide the choicest building material. This is a unique and unusual listing, exclusively listed with us and reasonably priced at
$20,000
FRED H. REID, BROKER
Featuring Vacation Properties
1 Toronto Street WA 6302

MODERN BUILDING wanted, minimum 30,000 feet, to be used for weaving worsteds. Box 245, The Financial Post, Toronto.

WORSTED MILL WANTED, as going concern. Reply to Robinson & Shapiro, Solicitors, 132 St. James St. West, Montreal.

Governor-General Pays Visit to Maclean-Hunter New Plant



Canada's most modern plant for the production of magazines and business papers—the $4½-million Maclean-Hunter Publishing Co. plant at North York just outside Toronto—was the showplace of Canadian printing for an afternoon last week. The occasion: an unofficial visit by the Governor-General and Lady Alexander, their Excellencies' first to a printing plant in Canada. This is the plant—it covers 4½ acres, has a floor space of over 200,000 sq. ft.—where the 36 Maclean-Hunter publications including The Financial Post now roll off some of the most modern and efficient presses yet installed in any Canadian printing plant.

Among these 40-odd presses are five-color Claybourn presses and new Meihle presses which turn out 3,000 single-color sheets an hour, more than twice the rate of earlier machines. Shortly to be added to these are two seven-color Goss presses which will turn out 40-page magazines at the rate of 400,000 pages an hour. These giants cost $500,000 each, weigh 240 tons, are 20 ft. high, 90 ft. long. This new equipment will product four-color work 12 times faster than at present.

Some $2 millions has gone into new equipment and the plant features many new techniques in production designed to ensure the utmost in streamlined flow of work combined with comfort for employees.

First sod for the new plant was turned by Col. J. B. Maclean (pictured [illegible] at tea with Viscount Alexander in the plant cafeteria) in June, 1947. First printing operations began in July, 1948.

Picture at top shows (left to right): T. H. Howse, comptroller, Maclean-Hunter; Lady Alexander, Lt.-Col. Allan Burton, A.D.C.; H. T. Hunter, president; Floyd S. Chalmers, executive vice-president; Viscount Alexander; Ed Nymark, plant manager.

Picture of plant reveals its modern lines. It has a frontage of 532 ft. and is in one story. Fluorescent lighting is used and windows facing west are of transparent heat-absorbing glass to aid cooling in summer. Locker rooms, rest rooms, health centres, cafeteria and library are included.

While all production has now been transferred to this plant business, editorial and advertising offices of Maclean-Hunter publications remain at the downtown offices, 481 University Ave., Toronto.

Maple Leaf Mill Loss $500,000 In 1st Quarter

Maple Leaf Milling Co.'s loss on its ill-fated, now defunct, Italian flour deal (The Financial Post, Oct. 23,) was something over $500,000. That is disclosed in the company's annual report for the year ending July 31, 1948. (Net profit for the last fiscal year was $1,539,602.)

A note to the consolidated balance sheet at July 31, 1948, states:

"The three months ended Oct. 31, 1948, show a net loss estimated by the management of $500,000 after providing for losses arising on the cancellation of certain large flour orders and possible claims which may arise in connection therewith. In arriving at this loss, the estimated tax saving, either through applying the loss against earnings of the succeeding nine months or carrying back against the earnings of the year 1948, has been taken into account, but no part of the inventory reserve of $1,100,000 carried at July 31, 1948, has been used."

The auditors, Clarkson, Gordon & Co., report: "Pending settlement of possible claims which may arise out of the cancellation of the export flour orders referred to in above footnote, we are not in a position to express an opinion as to the management's estimate of the loss for the three months ended Oct. 31, 1948."

In reporting to shareholders, President D. C. MacLachlan refers to the note and states:

"The management anticipates that satisfactory earnings will be realized in the remaining nine months of the year. . . . Your directors, therefore, have every confidence in the company's position and prospects."

How Maple Leaf Milling would come out of its now defunct Italian wheat deal is a question that has been widely discussed in financial circles. The deal has been shrouded in secrecy from the start. The company's annual report does not add much further light to the deal, giving only a net loss figure for three months' operations and the indication that settlement of possible claims has not been completed.

An outside agent, involved in the negotiations, states the deal originally was for 100,000 metric tons of Canadian hard spring wheat flour basic c.i.f. Genoa, Italy, and was later jumped to 300,000 metric tons. The deal fell through when it was found that the necesary import licenses had not been obtained.

Leduc-Regina Pipeline Ready Within 2 Years

A 500-mile pipeline stretching from the Leduc field to Regina should be in operation by 1950, H. H. Hewetson, Imperial Oil president states. The pipeline is already in the drafting stage and estimated cost is about $35 million.

Transporting the oil by pipeline to Regina will make it easier to extend the market for Alberta oil into northern U.S., Manitoba and Ontario, Mr. Hewetson said. No decision has been made on possible extension of the pipeline east or south from Regina. The company is already considering possibility of a pipeline to the Pacific coast but this would depend on proving of further reserves, Mr. Hewetson said.

NORPICK GOLD MINES says Yam Securities has underwritten 200,000 shares at seven cents, payable $7,000 forthwith and $7,000 within 30 days, and optioned 799,994 shares at 10 to 35 cents, exercisable within 540 days. Upon issue of first block of underwritten shares, issued capital will be 2,100,006 shares.

DRUMMONDVILLE has sold $440,000 of serial 2¾-3% bonds to a syndicate composed of Rene T. Leclerc, Banque Provinciale du Canada, Geoffrion, Robert & Gelinas and Dudley Dawson at a price of 95.19. Net cost to the city will be 3.398%.

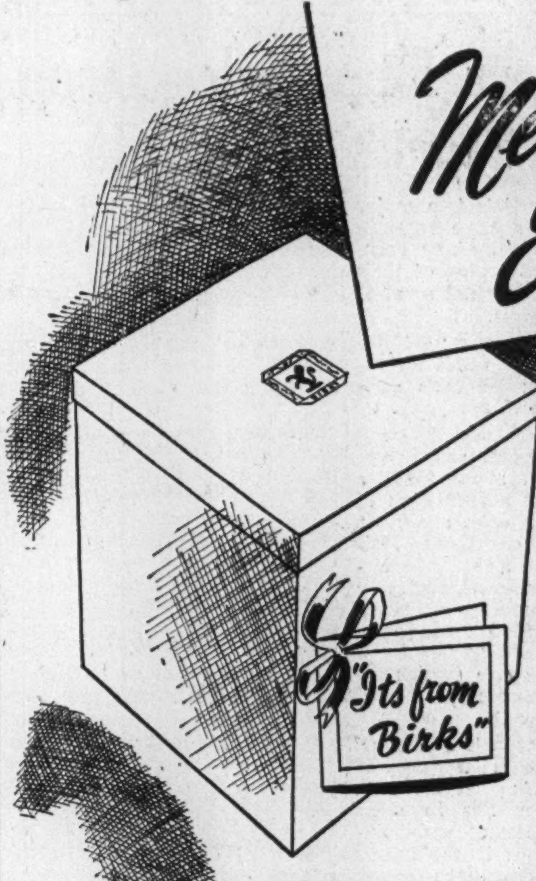
Richardson Sells Lac LaRonge Find

Wm. "Bill" Richardson, prospector and discoverer of the Lac LaRonge, Sask., showing earlier this year, has disposed of the concession to Toronto interests, The Financial Post is advised. The large acreage was relinquished this week for $6,700 cash and 250,000 shares of the proposed LaRonge Uranium Mines Ltd.

In addition to securing several concessions at the site of the latest uranium-pitchblende find at Black Lake, Sask., about 200 miles north of Lac LaRonge, Richardson has acquired two small concessions on acreage immediately adjoining the main Nicholson property at Goldfields.

Memo to Executives

HERE'S HOW TO SELECT APPROPRIATE CHRISTMAS GIFTS FOR EMPLOYEES CUSTOMERS AND BUSINESS ASSOCIATES



In Birks Contract Department—on the second floor—you'll find a display of gift merchandise from all departments and a group of specially trained young women to assist you.

Each item selected is attractively gift-wrapped in a Birks Blue Box, with your personal card enclosed.

Birks ship all gifts prepaid to individual addresses anywhere in Canada.

Through our "Institutional Plan" special prices are available to Business Firms on quantity purchases.

For the client that's hard to please, a Birks Gift Certificate is your answer. Exchangeable for merchandise in any Birks store from coast to coast.

If a visit to the store is impossible, write for our booklet entitled "Goodwill Gifts" illustrating dozens of gift suggestions.

BIRKS JEWELLERS
YONGE AT TEMPERANCE-TORONTO

TOUGH - but easy to handle . . .

You want a truck that can take shock and strain like this—yet handle with ease—turn on a dime in tight places? Then see Reo! Note how the Reo frames are massive and cold-riveted for extra strength. Get behind the wheel, try how easily a Reo turns on a short radius—a feature of More-Load design that carries more load per inch of wheelbase. Tramp on the brakes, feel how the Reo dual primary brakes stop smoothly and quickly. Accelerate the Gold Crown engine—the engine that is built specially for trucks—and observe the abundant power. All these Reo features add up to safe, dependable, low cost service . . . and more profits for you. Get the facts and try the truck. You will find many good reasons why it pays to standardize on Reo. A nation-wide organization of dealers and distributors is ready to serve you. REO MOTOR COMPANY OF CANADA LTD., Leaside, Toronto.

REO

47-18-5

REO . . . BUILT, SOLD AND SERVICED IN CANADA

A part of the Port Arthur Harbour at the Head of the Great Lakes, where rail and water transportation meet, provides an ideal location for the processing of our raw materials of timber, grain and minerals for markets in both eastern and western Canada.

PORT ARTHUR
ONTARIO

A CITY PLANNED AND MAINTAINED FOR SOUND PROGRESSIVE DEVELOPMENT HAS

AMPLE HYDRO ELECTRIC POWER

Port Arthur is extremely fortunate in having an ample supply of cheap 60 cycle Hydro Electric Power. 53,000 additional H. P. just released at Aguasabon, and a further 160,000 H. P. should be in service by 1951 at Pine Portage, Nipigon.

Desirable industrial sites, with or without trackage and navigation facilities, are available for light or heavy industry.

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GREB AND VALENTINE have made Men's & Boys' Quality LEATHER FOOTWEAR for Over 40 YEARS
GREB SHOE COMPANY LTD.
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Kitchener, Ont.

GREATER VANCOUVER WATER DISTRICT, B.C., has sold a new issue of $1,750,000 3¾% debentures dated Dec. 15, 1948, and due Dec. 15, 1950 to 1973 to a syndicate headed by Mills, Spence & Co., and including the Canadian Bank of Commerce, and McLeod, Young, Weir & Co. Price was $99.57; proceeds are for extension of the water installation.

INVESTMENTS THIS WEEK

Investors Fear Sales Drop Liquor Stocks' Action Shows

Although Canada's two major liquor companies have recently reported record sales and earnings, the market action of their common stocks does not seem to reflect these results.

Seagram's sales were up 19.4% and its net profit up 27% for the last fiscal year; Walker's sales were up 5.3% and net profit up 31.7%.

Distillers-Seagrams common, currently priced about $19¾ a share as against a 1948 high of $22¾, is selling only about 3.2 times its 1947-48 earnings of $6.24 a share. Hiram Walker-Gooderham & Worts common, currently about $29 a share as against a 1948 high of $31¾, is selling only about 3.3 times its 1947-48 earnings of $8.62 a share (which included 37c a share from a non-recurring dividend).

While one reason is of course, the generally bearish tendency of the stock markets since the U. S. election, another lies in signs pointing to a return of more competitive conditions in the industry and the thought that earnings may be at a peak.

Howard R. Walton, Walker's president, states: "In recent months there has been some indication that the market for luxuries such as alcoholic liquors was declining in the United States, where a large percentage of the company's business originates. A definite trend in this direction, coupled with continued high prices of materials used in production and bottling operations, will tend to reduce the earnings of the company from the record figure of the past year." U. S. consumption of distilled spirits for the first eight months of 1948 is down 2.4% from the same 1947 period.

Also feared, is the possibility of a competitive price war in the United States. Inventories went up substantially last year in dollar values, but the companies are trying to build up stocks of maturing whiskies. Seagrams' inventories of whiskies, spirits, other products, raw materials and supplies, totaled $208.8 millions at July 31, 1948, up 49% from a year earlier. ($140.2 millions) but were still only 28.3% of the dollar value of last year's net sales of $738.0 millions. Walker's inventories totaled $72.5 millions at July 31, 1948, up 14% from a year earlier ($63.6 millions) but were still only 23% of the dollar value of last year's net sales of $310.3 millions. Thus, these two companies would not seem to be in a top heavy inventory position. Seagrams, in fact, has been buying additional stocks of alcohol from other firms.

Both liquor package-store retailers and wholesalers in the United States are reported pressing the large beverage-distilling companies for relief from a steadily tightening squeeze on operating and profit margins. One thing they are reported asking is lower selling prices to be quoted them by suppliers.

At current prices, Seagram's common yields about 3.03% on the basis of last year's 60c annual dividend rate and about 5.06% on its newly indicated $1 dividend rate. Walker's common yields about 6.90% on the basis of the $2.00 annual rate indicated by the December quarterly dividend or 5.17% on the basis of the former $1.50 annual dividend rate. In the last fiscal year, Seagrams paid shareholders only 9.6% of the net profit, Walker's 21.7%—still another reason why the stocks prices sell at a low times-earnings ratio.

Liquor stocks traditionally sell on a low times-earnings ratio. In 1947 Seagrams common sold from 4.4 to 2.8 times its 1946-47 earnings; Walker's common from 4.4 to 3.3 times to 1946-47 earnings. Comparable figures for 1939 were 3.0 to 6.3 times 1938 earnings for Seagrams; 3.8 to 6.8 times for Walker's.

* * *

Stock Split Jumps Holders Walker-Gooderham Common

The extent to which ownership of a stock may be increased by splitting it up so that it sells at a lower price is illustrated by Hiram Walker-Gooderham & Worts Ltd. in this year's annual report.

Its common stock was split on a four-for-one basis on Oct. 18, 1946, for the purpose of widening the ownership of the shares. In the following 22 months the number of shareholders grew from 6,442 to 9,798, an increase of 52%.

Of the 9,798 shareholders on record Aug. 20, 1948, 6,687 or 68% owned 100 shares or less. Of the 2,896,016 shares outstanding on Aug. 20, 1948, 1,410,220 or 48.8% were owned by residents of the United States, 1,350,955 or 46.7% by residents of Canada, and 134,841 by residents of other countries.

* * *

Effect of Power Cuts Limited Shawinigan's President Says

Shawinigan Water & Power Co.'s 10% reduction in power deliveries to principal users will have "a limited effect on 1948 income," according to President James Wilson. Power cuts were necessitated by abnormally low rainfall which affected flow conditions in the St. Maurice valley, as well as other power rivers in central Canada.

* * *

Annual Reports

Good relations with stockholders may play an important part in determining the attitude of a large part of the public to any company. This factor may also be an important hidden asset for any company. One method of building up stockholders' sympathy is through a full and frank disclosure of all aspects of the business in the annual report. Another is the provision of interim information. These points should be remembered by all company executives, who should strive to treat the shareholder in his true light as an owner of the business.

* * *

Southern Canada Power Co. has brightened the appearance of its 1948 annual report through use of a colored cover and more color inside. General form of the report is the same as the previous year and includes the consolidated operating statement for 10 years in the two centre pages. This is helpful to shareholders.

DENIS OLORENSHAW

has been appointed advertising manager of Canadian Admiral Corp., Long Branch, Ont.

* * *

Sherwin-Williams Co. of Canada has expanded its annual report for the year ended Aug. 31, 1948 by giving more pictures of operations, etc. Out of each sales dollar received, 95½c was spent for raw materials, wages, expenses, depreciation and government taxes while 2c was distributed to shareholders and 2½c added to the surplus account to be used for the future requirements of the business.

Elec. Reduction Has $2 Million Extension Plan

MONTREAL (Staff) — A $2 million extension to the plant of Electric Reduction Co., Buckingham, Que., is expected to double plant capacity over the next two years (from $3 millions to $6 millions annually), President R. B. Walker informs The Financial Post.

Bulk of the expenditure will go for additional equipment. Also included is a new plant structure of about 20,000 sq. ft. Construction and engineering are being handled by the company. Some increase in employment is expected. Mr. Walker states that the present program is part of a longer-term expansion, which will extend over the next five or six years.

Electric Reduction Co. is an important producer of white phosphates and chlorates, phosphoric acid and complex phosphate salts. Primary reason for expansion is the tremendous increase in the use of synthetic detergents (soapless soaps), Mr. Walker said.

Electric Reduction plans to step up its output of sodium triphosphates, a new product in the Canadian detergent field. This item is in particularly heavy demand and U. S. manufacturers are said "years" behind in meeting the potential demand.

Formed in 1897, Electric Reduction Co. in its early stages sold most of its output to United Kingdom market. For the last 16 years, however, it has sold most of its production domestically; and the current expansion program is designed primarily to meet increased Canadian demand.

Dryden Paper Earns $3.75 On Common

MONTREAL (Staff) — An increase of more than 72% in net profits was reported by Dryden Paper Co. in its report for the year ended Sept. 30, 1948. Profit for the year is shown at $682,548 ($396,213 in 1947) which represents earnings of $3.75 per share on the 182,000 common shares issued and outstanding. Earnings in 1947 were $2.64 per share on 150,000 outstanding. On present outstanding share capital, earnings last year would have been approximately $2.17 per share.

Amount paid in dividends during the year represents approximately 30% of the year's profits, the report points out. During the year the bag plant of the company was moved from Dryden and consolidated with that of the Woods Manufacturing Co. at Winnipeg under the name Woods-Dryden Paper Bags. Value of this investment appears in the balance sheet under "investment in shares of associated company—at cost" at $99,990. This company has been in production for only five months and no profits are yet available from this source, it is stated.

During the past year Dryden Paper Co. has expended $955,000 on new construction. Much of this consists of items in connection with the new No. 4 paper machine which came into production in January, 1948. This machine is presently producing at the rate of 60 tons a day. Sales requirements have made it advisable to increase the capacity of this machine which is possible at reasonable expense, the company states.

Also the wood preparing mill has been completely replaced and a power line 62 miles long has been installed to connect the company's mills with Ontario Hydro. In addition the penstock leading to No. 1 power plant has been renewed at a cost of $100,000.

Directors have approved a pension plan to go into effect Jan. 1, 1949.

Easy Washing Has Best Year

Reflecting unprecedented demand and a somewhat easier raw-material supply, sales and earnings of Easy Washing Machine Co. are running at a record rate. Production is up some 20% from last year and dollar sales 25%-30%. Combination of higher sales turnover and reduction in over-all tax picture will result in an earnings increase for 1948 of around 40%, a company official tells The Financial Post. Net profit for 1947—previous record year—was $135,329.

Outlook for the first and second quarters of 1949, however, is not so bright. Steel suppliers are not giving any promises on deliveries of sheet steel for the first half of next year, and even intimate that a drastic cut is likely. Public demand for company's new spin-dry washing machine, which went on sale in August, has been excellent, and far ahead of supply, it is said. The new model is accounting for about 25% of over-all sales.

By working Saturdays, the company has been able to maintain production schedules in face of current power shortage; but any worsening in the power situation, leading to further power cuts, would result in loss of production. Officials are considering further plant expansion and additional lines in the major appliance field.

General Bakeries Earnings Better

Both sales and earnings of General Bakeries Ltd. for the first six months ending Oct. 31, 1948 of its current fiscal year are ahead of the comparable period for the previous fiscal year in spite of the difficulties facing the industry generally, The Financial Post understands.

If operations continue on the same basis as currently for the next six months, General Bakeries' net profit, after a higher depreciation charge than last year, will be double that for the last fiscal year, The Post understands.

In the fiscal year ending April 2, 1948, General Bakeries showed net earnings of $234,375 and after depreciation, bond interest and taxes, a net profit of $41,614, equivalent to 17c a share on the outstanding 250,000 no par value common shares.

PROVINCE OF NEW BRUNSWICK

REDEMPTION OF DEBENTURES

Notice is hereby given that the Province of New Brunswick intends to redeem, for Sinking Fund purposes only, a portion selected by lot by the Department of the Provincial Secretary-Treasurer of the 3½% Debentures dated 15th January, 1943, and maturing on the 15th January, 1955, pursuant to the option for redemption set forth in the said Debentures, such redemption to be at 101% of the principal amount. The said redemption will take place on 15th January, A.D., 1949.

The portion of the said Debenture issue to be redeemed on the said date has been selected by lot by the Department of The Provincial Secretary-Treasurer and the numbers of the said Debentures so selected for redemption are as follows: —

Numbers PA 033, PA 074, PA 119, PA 201, PA 249, PA 269, PA 335. Each at $1,000.

Numbers PA 428, PA 463, PA 472, PA 489. Each at $500.

Numbers WJ 004, WJ 009, WJ 132, WJ 144, WJ 176, WJ 180, WJ 256, WJ 288, WJ 291, WJ 365, WJ 372, WJ 432, WJ 440, WJ 467, WJ 554, WJ 792. Each at $1,000.

The following Debentures called for redemption 15th July, 1948, have not yet been presented for payment: —

Numbers PA 008, PA 014, PA 030, PA 032, PA 040, PA 043, PA 053, PA 056, PA 083, PA 085, PA 106, PA 116, PA 169, PA 179, PA 198. Each at $1,000.

Numbers PA 418, PA 431, PA 468, PA 495, PA 496. Each at $500.

Holders of the Debentures above enumerated are hereby required to present their Debenture Certificates for redemption on the said 15th January, 1949, at the principal office of the Bank of Montreal in any of the cities of Fredericton, Halifax, Saint John, Montreal, Toronto, Winnipeg, Regina, Calgary or Vancouver.

Dated at Fredericton this 26th day of November, A.D., 1948.

J. J. HAYES DOONE,
Provincial Secretary-Treasurer.

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The new issue of Edmonton debentures provide an investment in a City serving an area where new discoveries are adding impressive totals to Canada's oil resources.

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. . . about a man named Harry

Once upon a time there was a man named Harry, who lived in Washington. He was president of a company that made a line which was sold all over the country, and abroad, too. It was a good line and a nice little business, with thousands of employees and a lot of stockholders and steady customers. But Harry wasn't very happy. He had troubles.

Customers were complaining about prices, quality and deliveries. Stockholders wanted larger dividends. His export business was hard to handle. Production was slow, and the help situation was bad.

You see, one of Harry's big competitors had placed some of their own men in Harry's plant, and had taken over certain shop committees, where they raised hell with production. For instance, Harry would send down an order for a certain line, and these birds would change the specifications. If Harry refused to accept the line, the plant sometimes went ahead and made it and pushed it on the market over Harry's head. Usually they just tabled the whole thing.

One of Harry's best salesmen, a fellow who'd been always interested in export, suddenly went into business for himself. He imported foreign-made goods, cut prices and packed his stuff in fancy red boxes. He started national advertising and a lot of Harry's customers and some of his dealers fell for the new line.

Harry's company held a Board meeting in July. Some directors wanted Harry to resign—said the company needed a new man to head it up.

But Harry refused to resign. He liked Washington—he liked his job—and he told the directors all about his plans. Some of the directors were impressed—some were not. Anyhow, they took a vote and it was agreed to put the matter up to the stockholders in November. But a couple of his directors, who were also branch managers in the South, broke away and started their own business. They took part of the line, advertised it as made-to-order for the Southern trade and picked up customers right and left, plumb in the heart of some of Harry's best territory. His company had been able to count on the South as a sure thing since way before the Civil War, and now—almost overnight—Harry got cancellations from his best jobbers and dealers and nasty letters from regular users. It was tough, all right.

By this time, of course, word had got around, and some of the dope sheet guys got interested. They made surveys: asked a lot of people what they thought of Harry and his company—and the answers didn't look so good. In fact, the answers looked so bad that Harry's big competitor decided to move in and take over.

Nobody appeared willing to give a plugged nickel for Harry's chances.

Nobody, that is, except Harry. He's a persistent guy, and he made up his mind he wasn't going to resign or sell out or be kicked out. So he started advertising. He took his samples and went on the road. He rang doorbells and chased smokestacks all over the country. Everywhere, he talked to people—ordinary people—about what *they* wanted. He showed his samples and told 'em all about the trouble he was having back at the plant, and how he could give his customers better goods at lower prices with quicker deliveries if he could fire a few of his shop committees.

Harry's competitor was reading the dope sheets and getting all set to show up at the stockholders' meeting in November and take over. The dope sheets said they had a sure thing—didn't need to advertise. But the competitor put on a dignified campaign: told about their long experience, and expert craftsmanship, and fine materials, and strong financial position . . . Didn't say much about prices or deliveries, but just let people know they were all set to take over.

Well, the great day came. Harry's competitor was on hand with a few proxies, when in walks Harry with a trunk full of votes! He had bus loads of stockholders and stacks and stacks of proxies.

That's about all there was to it. Harry's still president, and there'll be a lot of new faces around the plant. They're working on a new line which Harry says is sure fire.

The dope-sheet guys felt pretty glum about the way things turned out—but hell, they should have known better. They claimed that very few people change their minds during a campaign, but they forgot about the *advertising*. Advertising and selling are intended to make people change their minds, and *good* advertising can make a lot of people change their minds quickly.

Harry proved that!

This article was written by Herbert Field King, Wm. B. Remington, Inc., and reprinted from the November 19th, 1948, issue of Printer's Ink by permission of C. B. Larrabee, President and Publisher.

McKIM ADVERTISING Limited
creates good advertising
MONTREAL TORONTO WINNIPEG VANCOUVER LONDON, Eng.

W. J. HENDERSON

A. E. Millard, President and General Manager, Swift Canadian Co. Limited, announced that W. J. Henderson has been elected a Director of the Company. Mr. Henderson is in charge of Public Relations and has 37 years' service with the Company.

*

MANAGED INVESTMENT

Many Dividend Changes For Compton Portfolio

Four companies whose stock is represented in the Compton portfolio of stocks have boosted their annual dividend payments, while one has cut its rate. No stock transactions were made for the Compton account during month ended November 15.

Compton's Manager Says:

Although the stock market, as measured by the Toronto Stock Exchange index of industrial stocks, rose from 179.9 on Oct. 16 to a high for the current movement of 189.1 on Nov. 4—followed by several sharp declines—no sales of stocks have been made for your account during the period from Oct. 16 to Nov. 15.

Goodyear Tire & Rubber Co. has declared a dividend of 50c a share, payable Dec. 31, bringing total dividend payments this year to $3.50 a share as compared with $7 a share in 1947. Vice-president and General Manager R. C. Berkinshaw states that the reduction is due to the necessity of financing substantial capital expenditures of the company and also because the increased cost of doing business requires a greater amount of working capital.

The annual dividend of Building Products was increased from $1.40 to $1.60 a share by the payment on Oct. 1 of a quarterly dividend of 40c a share. Hiram Walker has declared a quarterly dividend of 50c a share, payable Dec. 15, as compared with the previous quarterly rate of 37½c a share.

Hudson Bay Mining & Smelting has declared, in addition to the regular quarterly dividend of $1 a share, an extra dividend of $1 a share, both payable Dec. 13. As a shareholder of Montreal Locomotive Works, you should know that on Nov. 23 the directors declared a quarterly dividend of 30c a share, payable Jan. 3. This is an increase over the previous quarterly rate of 20c a share. In addition, the directors declared a special dividend of 70c a share, payable Jan. 3. Volume of business on the books of the company has been increased by the $8.4 millions order from the Indian Government for 60 locomotives.

During the month you received dividends amounting to $8.83. This sum did not cover the monthly transfer to your account of $25 for living expenses, which is part of our arrangement. You therefore took out of your account $16.17, leaving a net cash balance in your account of $38.01 on Nov. 15.

The Compton Account Now Stands

	Common Stocks		
5	Building Prod.	29½	35
10	Can. & Dom. Sugar. ..	22	22½
30	Can. Canners	19¼	17¾
5	Can. Industries	19¾	23
10	Can. Pacific Rlwy.	13¼	16
25	Cockshutt Plow	12⅛	12⅞
20	Consol. Litho	17¼	25½
5	Consol. Smelters	85	127
5	Goodyear	95½	102
10	Gypsum, Lime & Alab.	14	16½
15	John Labatt	20	23¾
20	Montreal Locomotive .	18	17¾
15	Walkers	26⅜	29
15	Nat. Steel Car	19½	22¾
15	Simpsons A	25¼	27½
	Preferred Stocks		
35	Abitibi, $1.50 pfd.	20¾	19½
30	Can. Wire Box, A	23¾	24½
25	E. B. Eddy Co., $1	22	16⅜
25	Riverside Silk, A	32½	29
30	D. Stuart Oil	16¼	19
50	McCabe Grain, A	11	8½
120	York Knit. Mills, A ..	7¾	6½
	Mining Stocks		
100	Teck-Hughes	3.90	2.36
5	McIntyre	64⅓	50
15	Kerr-Addison	16¼	12¼
10	Hudson Bay	45¾	54¼
	Bonds		
$1,100	Can., 3% 1957/60	100	101¼
$1,600	Can., 3% 1959/62	100.98	100⅝
	Cash		$38.01
	Curr. Market Value of Fund ...		$13,550.27
	Aver. Yield on Original $10,000		7.72%

*Bid price on Nov. 15.

TOWNSHIP OF BARRIE

Sealed tenders addressed to the undersigned and marked "Tenders for debentures," will be received by the undersigned up till midnight, Friday, December 17th, 1948, for the purchase of the following debentures:

Fifty-four thousand dollars ($54,000.00) 3¾% twenty-year or fifteen-year serial debentures, dated January 1st.

Interest and principal payable at the Bank of Montreal, Tweed, Ont.

These debentures are issued for Public School construction which have the approval of, and draw a 90% grant from the Department of Education.

Highest or any tender not necessarily accepted.

RALPH C. THOMPSON,
Clerk-treasurer Twp. Barrie,
Harlowe, Ont.

J. GORDON BEATTY

Chief actuary of the Canada Life Assurance Co. has just been elected an Honorary Fellow of the British Institute of Actuaries. He is one of only seven to hold this honor. The British Institute is the oldest actuarial society in the world. Mr. Beatty, this year as president of the American Institute of Actuaries, attended its centenary.

Plan Television Cardy Hotels In Ont. In Dec.

Cardy Corp. will be the first chain of hotels in Canada to install television in its public rooms, through arrangements with General Electric Co., President Vernon G. Cardy told shareholders at the first annual meeting this week.

"We expect that this will be in operation in our Ontario hotels during December, 1948," he added. "Early in the new year our guests will be able to obtain, on a rental basis, television sets for their own rooms."

The capital expenditure program of the past two years, together with the operations, were reviewed by Mr. Cardy who stated "with the completion of this work, our principal capital commitments of the past have been concluded most satisfactorily."

Future improvements include:

(1) Construction of a new cocktail lounge on the ground floor of the King Edward Hotel, Toronto, which will be opened in December.

(2) Work on a new cocktail lounge at the Royal Connaught, Hamilton, now under way.

(3) A thorough plan of redecoration, refurnishing and improvement of guest rooms throughout the entire group of hotels.

Referring to Bigwin Inn in Muskoka, Mr. Cardy stated: "We found that this seasonal resort did not fit in the year-round operation of our other properties. We realized a profit on the operation of Bigwin Inn during 1948 and are pleased to report a capital gain on the sale of the property last month."

Alpine Inn has heavy bookings for the coming winter. The company has completed extensive work on the property in the way of ski trails and ski tows and has constructed a new solarium dining room which permits 250 persons to dine at one time, Mr. Cardy stated.

Referring to operational figures, Mr. Cardy pointed out that in comparison with other similar hotel organizations "on a basis of available rooms, not only do we show a higher gross revenue per available room, but also, the resulting gross profit is greater. . . . A unified system of accounting is maintained throughout each department in each hotel. Comparisons are made constantly in every phase of operation. I think I am safe in saying that no hotel chain in Canada or the United States maintains a more efficient standard of operation accounting than your corporation."

Currently, 35% of gross revenue is paid out in wages.

Funded debt represents about $2,500 per guest room while replacement cost of all properties would very substantially exceed $10,000 per guest room, Mr. Cardy stated.

A dividend of 35c a share will be paid on Jan. 10, 1949, to shareholders of record Dec. 20, 1948.

The meeting was enlivened by considerable controversy over company affairs, sparked by Archibald Palmer, New York attorney.

Mr. Palmer questioned who received executive remuneration, legal fees and other directors fees. W. R. Salter, company solicitor and a director, ruled that the question need not be answered.

Mr. Palmer also demanded to know whether $300,000 had been paid in for the class B shares and by whom it was paid. The meeting was told Mr. Cardy had personally provided $300,000 for his shares. They were then turned over to the Cardy Foundation, a charitable organization, which Mr. Cardy said had been founded as a protection against the hotel assets passing into other hands.

$16 Millions on Expansion Of Fraser Cos. Since 1937

MONTREAL (Staff) — Fraser Cos. has expended more than $16 millions out of earnings from Jan. 1, 1938 to Aug. 31, 1948, for plant equipment and lands, directors announced this week. Their statement was made in a letter to shareholders, following announcement of the proposed subdivision of shares and issuance of $5 millions of preferred stock.

During the same period, the company has reduced funded debt and paid off bank loans to the extent of $8 millions and has increased working capital by $2 millions. It is estimated that about $5 millions will be expended in 1949 on unfinished projects.

Annual capacities of the pulp and paper-making units in the company's plants, on the basis of 300 operating days and on comparable grades, has been increased from 153,000 tons in 1937 to 198,000 tons in 1948. It is estimated it will be further increased to 231,000 tons in 1950. These tonnages do not include pulp which is converted into paper products, at the company's own plants.

Following are major projects now in progress:

New unbleached sulphate mill, Newcastle, N.B.
Sulphate bleaching plant, Edmundston, N.B.
Facilities for delivery, storage of bleached sulphate pulp.
New turbine generating unit.
New steam generating unit.
Replacements of obsolete and worn out equipment and improvements, etc.

Following are the major projects already completed:

Edmundston plant—new steam plant, new filter plant, additional stage to bleaching in the sulphite process, modern stock preparation plant for new electric distribution system, renewal of stock pipeline from Edmundston to Madawaska and increased facilities for pulpwood storage.

Restigouche County, Atholville—new pulpwood barker, pulverizers, steam turbine generator, main fresh water pipeline, additional bleaching capacity, new pulping station with three additional fire pumps.

Fraser Paper Co., Madawaska, Maine—replacement of fourdriniers on two paper machines, addition of size presses to three paper machines, renewal of sewers, vacuum pumps and replacement of coal pulverizer.

The directors' letter stated that the modern plant and equipment installed under this program to date has increased productive capacities of these plants and has been responsible for a large percentage of earnings in the last few years.

Directors stated also that it is not proposed at the present time to issue any of the unissued common shares after the proposed subdivision of the common shares.

CPR's Net Is Seen Near $31 Millions

MONTREAL (Staff)—Although net revenue from rail operations is expected to be lower than last year, present indications are that 1948 net profit of Canadian Pacific Railway Co. on all operations may be only slightly below last year's $31.9 millions.

Based on financial statements covering the first 10 months of 1948, gross revenue from rail operations may be $355 millions and working expenses $335 millions for the full year. This would leave net earnings of $18 to $20 millions, against $23 millions in 1947.

A significant factor in the final results will be the amount of other income received. In this category is income from hotels, ships, telegraph services and miscellaneous sources, and dividends from investments.

In 1947, other income was $25 millions, of which $14.5 millions was dividends. Wage increases and higher operating costs may reduce the remaining $10.5 millions somewhat, although higher volume of traffic or higher prices may offset cost increases in some cases.

Since dividends from Consolidated Mining & Smelting Co. of Canada represent such a large proportion of dividend income ($13.5 millions last year), an increase by Smelters in its total payments for 1948 will affect CPR's final net profit. Smelters' dividends may account for half the final CPR net profit this year.

Last year Smelters paid $8 a share out of earnings of 1947 fiscal period, and so far this year $5 (regular semi-annual $1.50 plus $3.50 extra). Should the Jan. 15, 1949 dividend be the same, this would mean a total of $16.8 millions revenue for CPR from this source.

Fixed charges for 1948 ($15.7 millions) are expected to approximate those of last year. Depending on the amount of the Smelters payments, it would appear that final net profit should be within 30 cents per ordinary share of last years $2.04 per share figure. Some observers predict it may be within 5 cents.

Net earnings for October were $600,000 higher than for the same month last year, but for the 10 months ended Oct. 31, 1948, net earnings have declined $4.3 millions to $11.5 millions. Gross earnings for the 10-month period were $290 millions ($262.7 millions in 1947) and working expenses $278.5 millions ($246.9 millions).

TOWN OF PERTH

Sealed tenders addressed to the undersigned and marked "tenders for debentures," will be received by the undersigned up till noon, Friday, December 10th, 1948, for the purchase of the following debentures:

One hundred and ten thousand dollars ($110,000.00) 3½% twenty year serial debentures dated December 31st, 1948.

Interest and principal payable at the Bank of Montreal, Perth Ontario.

These debentures are issued for a Public School Construction which has the approval of, and draw a grant from the Department of Education.

Highest or any tender not necessarily accepted.

JOHN H. MATHER,
Clerk-Treasurer,
Perth, Ontario.

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$4.00 to $10.00
Gifts appropriately Boxed
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Three Shops
BIGWIN INN MUSKOKA ONT.

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Get the shoes you need...
Dack's SHOES FOR MEN
For real protection against wintry weather, choose Dack's Brogues. These highly popular shoes are ruggedly built with sound leathers and heavy soles. And you'll like their smart, masculine styling. Dack's offer you a wide selection of winter-worthy models—unexcelled for superb comfort—long wear—and real value proven by men for over 100 years.
Dack's Shoes priced from 16.50 up
SHOPS OR AGENCIES IN PRINCIPAL CITIES
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ESTABLISHED 1920
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WAREHOUSE SPACE — STORAGE
SALES AND DISTRIBUTION SERVICE
LOW COST — EFFICIENT SERVICE
50,000 square feet AVAILABLE
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Die and Metal Stamping Plant in Toronto as a going concern. Old established firm, well organized, in good financial condition and with the best of reputation. Price $40,000.00, a very good investment. Owners' age only reason for selling.
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The man we want will already have a successful business record behind him. He has an intimate knowledge of Canadian farming and has done a good deal of writing on agricultural subjects or products. Perhaps he has been engaged in merchandising and selling to the farm market. At any rate, he must understand the farmer's problems and requirements. He must know how, why and when the farmer buys.
Apply in writing only, giving complete information.
COCKFIELD, BROWN & COMPANY LIMITED
METROPOLITAN BUILDING, TORONTO

Great News for Executives!
YOU GET...
INITIAL SAVINGS PLUS CONTINUAL SAVINGS WITH Mail-A-Voice
THE $200 MAGNETIC DICTATING MACHINE!

Yes sir—Mail-A-Voice means initial savings PLUS continual savings—in both dollars and time! It's a hard-to-beat combination that teams with other features to make Mail-A-Voice tops in the dictating machine field. Check the enormous possibilities of Mail-A-Voice—and you'll know why it's a must in every modern office, large or small!
Initial Savings! Imagine—Mail-A-Voice costs only $200—for $200 you get a complete dictating—transcribing unit that speeds office routine and increases business efficiency!
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No Time-Wasting! You waste no time cleaning old recordings for re-use with Mail-A-Voice—in just three seconds you can de-magnetise a disc and then use it for new dictation!
Mail or Deliver Your Blanks in Person, without the expense and delay of having them typed. If you want to—Mail-A-Voice recordings play back perfectly on any other Mail-A-Voice machine.
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Mail-A-Voice is almost magical in its utility and versatility . . . and a complete unit costs only $200! For full information, just complete and mail the coupon below . . . our representative will be glad to call on you.
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(UNDER BRUSH DEVELOPMENT PATENTS)
SEND THIS COUPON FOR FULL DETAILS
I am interested in hearing more about Mail-A-Voice.
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Company
Street Address
City Province

Governments Can't Give

In announcing to a local meeting of the Neighborhood Workers Association that baby bonus cheques would be distributed earlier this month, a regional director for family allowances is reported to have said this:

"A total of $22.5 millions will go to families across Canada in the government Christmas gift."

A government gift indeed!

The person who supplied the money for this Christmas gift is the same old Santa Claus who foots the bills for Junior's electric train or his mother's negligee.

Family allowances like all other government money comes from one source only, the taxpayer. All that Ottawa does is to collect it in taxes, and after deducting a sizeable percentage for overhead to pay an army of collectors, clerks, bookkeepers, auditors and other civil servants, returns what's left to the taxpayer.

So far as the average citizen is concerned, there are no such things as government gifts. Cheques from that quarter simply represent a return of money contributed by the people at large. Unlike private industry, a government does not create new wealth. Before it can give anything it must first take away. It is a sort of Indian giver in reverse.

That is a point which socialists and other bureaucrats neglect to stress. They would like us to think that governments can make all of us rich, can look after our every want, satisfy our every whim.

The government will do this, the government will do that, these people say, but they fail to mention where the government must get the money. It just can't print it, because money unbacked by goods, services or gold is not quite worth the paper it is printed on. Citizens of China, Germany, Russia and other countries where that trick was tried know all about the disastrous results. Real money can only come from the people themselves.

Even in CCF Saskatchewan they are beginning to learn that basic lesson. In that province, where the provincial government was able for a time to boost its revenue by taking over all the private industry it could get its hands on, Mr. Douglas' provincial treasurer now announces that there must be some "tightening up of the purse strings."

Some of the much touted government activities are to be curtailed, some of its highly publicized government services are to be curtailed and some of its not nearly so publicized heavy taxes are to be boosted.

Mr. Douglas was fortunate indeed to be able to postpone the "about turn" until after the recent election which he was just able to win. He will have a tough job trying to hide the enormous cost of his socialist adventure from now on.

Need for Lower Costs

Businessmen now beginning to direct their thinking and planning to the problems of the coming year will find some sound guidance in the address last week by W. G. More, president of the Imperial Bank of Canada.

While happy about conditions in general. Mr. More displays great caution about what's ahead.

In his annual message to shareholders, he said:

> "The high level of business activity should promote prudence rather than overconfidence and indiscretion. The final stages of a boom are usually marked by difficulty in financing projects which firms have already begun and in which they have invested their own capital. This is a time in which to exercise care that the financing of costs are fully assured before business firms commit themselves to them."

At present level of prices, believes Mr. More, any firm whose working stocks are more than enough to take care of present sales is taking an unwarranted risk. This opinion is based on the fact that wholesale and retail sales have increased during 1948, but by less than the increase in prices; the inference being that "the physical volume of sales is down, despite the fact that the demands for some goods are still unfilled."

Mr. More is expressing a widely held viewpoint where he argues that we are approaching the end of a period in which it has been easy to meet rising costs by increased prices. Eventually, he believes, we shall be faced with reduced volume and lower prices and there is urgent need now for concentration on ways and means of reducing costs.

Content to Grow Slowly

Those Canadian cities whose sole aim seems to be to grow bigger and bigger might well consider the case of Edinburgh. The Scottish capital is content with its present modest proportions. It is quite willing to let much larger Glasgow get the lion's share of new industry and new population. Edinburgh prefers to mature gradually, to retain its beauty and its spaciousness.

Writing in that attractive magazine Scotland, Sir William Y. Darling marshals convincing arguments against the industrialization of his own Edinburgh. "She is large enough for a capital, not too large to be a problem, not so small as to be unimpressive and undistinguished. If she were larger she would be no better . . . The tendency everywhere for towns to proliferate is to be deplored and defeated . . . Let town be town, let country be country. We need both, we do not need an admixture of both which is neither . . . Big cities are a disaster. They attract the wealth, brains, influence of other places not only to destroy these things but to destroy the places which could have used them to advantage."

That does not come from some young stripling of a municipality eating its heart out because a main line railway or super-highway passed it by. It comes from one of the oldest and most respected cities in the world.

In this day and age of bustle, grime and congestion there is a lesson to be offered in the contentment of Edinburgh. Canada will be happier, sounder and more genuinely prosperous tomorrow if we have more cities like Charlottetown, Fredericton, Quebec, Guelph, Brandon and Victoria and fewer of the million and over.

We've Got Enough Worries

Every little while someone tries to scare the world out of its pants by solemnly declaring we are on the verge of starvation. Between us and oblivion, these pessimists moan, is only a few inches of irreplaceable top soil, and that layer is being speedily washed down to the sea by our rivers, streams and winds.

It is true in this country and others as new, a lot of good soil is being wasted. Undoubtedly we should be planting more trees, terracing more slopes and building more water conserving dams. But to suggest that world famine is just around the corner, that the human race is increasing far faster than we can hope to feed it, is nonsense.

All these theories of shortage, including that of the famed English preacher Malthus early in the last century, are based on the false assumption that an acre of soil is capable of producing just so much food and that the fertility of soil has a definite limit.

Both claims have been disproved again and again. Much will depend upon what type of food an acre is used to produce. If it is grain to be fed to steers to produce sirloin steak, there will be nourishment for only a very few people. But if that grain is made into porridge that acre will maintain at least five times the human population. And as for exhausting soil fertility we only have to look to the older areas of Europe. There fields have been under continuous cultivation for over a thousand years and current yields are higher than they ever were.

Even the "top six inches" of fertility theory will not stand up. By sound farming methods even the most barren subsoil can be made to produce good crops in a relatively short number of years and science is teaching us to do that job faster and faster.

In this world of ours there are plenty of real dangers to be faced without adding bogeys. Science, sound agriculture and better distribution should have no difficulty in keeping the wolf from our door for many a century yet.

Riding For a Fall

American car buyers were stung to the extent of $450 millions in the first seven months of this year, a Congressional sub-committee charged at Washington recently. For the cars they turned in, it is claimed they lost an average of $300 per vehicle in undervaluation or a total of $200 millions. On the other side of the transaction, they paid an additional $250 millions for extras that were not essential and, in at least half the number of cases, they did not want.

No comparable figures are available for Canada but he would be naive indeed who thought that Canada has been entirely free of a similar racket.

Activities of dealers taking advantage of present shortages have greatly embarrassed Canada's retail automobile dealers as a whole. Most of them are just as anxious to give customers a square deal as the customers are to receive one. But a few less scrupulous have done tremendous damage to the general reputation of the trade, and the trade resents this.

They have brazenly offered half as much for a turn-in as the same vehicle would fetch for cash on the car lot next door, and they have loaded the new vehicle with every conceivable gadget it was possible to bolt, weld, stuff or screw on.

Car dealers of this sort benefit no one but themselves. They will be remembered well by customers when we get back to normal and it will again be possible to pick and choose. They are riding for a fall.

System Worth Advertising

The Advertising Council of the United States has launched a national advertising campaign to promote a better understanding of the American economic system. The project is based on a 10-point platform or credo emphasizing the principle of expanding productivity as a national necessity.

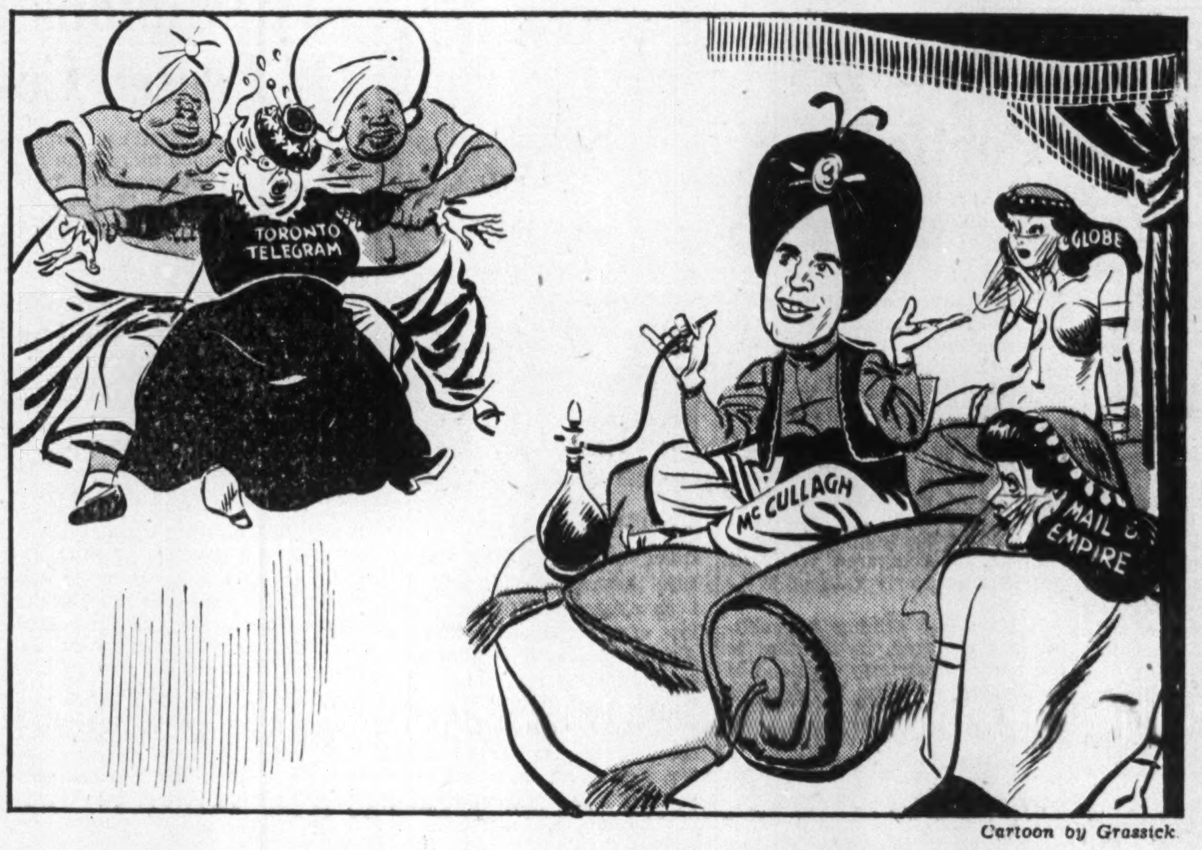
Charles G. Mortimer, Jr., chairman of the Council and vice-president of General Foods, calls the campaign "the soundest information against Communism yet devised."

The platform, drafted by representatives of all segments of American life — management, labor, education, religion, social service — includes these points:

1. Freedom of the individual to work in the callings and localities of his choice.
2. Freedom of the individual to contract about his affairs.
3. Freedom of the individual owner of property to start and manage an enterprise, to invent and profit, to invest, to buy and sell in a free market — insofar as this freedom does not conflict with the public interest.
4. Freedom of the individual to speak, to inquire, and to discuss.
5. Protection for the individual — by public or private means — against the basic hazards of existence over which he may have no control.
6. Government action in economic affairs when necessary to ensure national security or to undertake socially desirable projects when private interests prove inadequate to conduct them.
7. Freest possible competition consistent with the public welfare.
8. Free collective bargaining — the right of labor to organize and to bargain collectively with employers.
9. Expanding productivity as a national necessity. American experience has proved that it is in the long-run interest of all; (a) to pay labor progressively higher wages in relation to prices; (b) to do this by progressively increasing productivity per manhour through the application of constantly greater mechanization, power, efficiency and skill in the processes of production and distribution; and (c) to reduce hours of labor and improve real income while increasing the volume of production and distribution.
10. Increased recognition of human values as a prerequisite to better living.

Mortimer points out that the campaign emerged from the feeling among these groups that at a time when the whole world is debating the claims of rival ways of life, it is imperative that those who live by the system of a free, productive economy should understand their own system.

"It seems pretty obvious," he says, "that if a man hears our system attacked, and doesn't understand it well enough to pick out the flaws and the phonies in the argument, he is a likely candidate for the pinks and reds."



Cartoon by Grassick

Napier Moore's

Scratch Pad

NEWSPAPERMEN are still arguing about the way British United Press got the result of the bidding for the Toronto Evening Telegram.

Informed that the meeting at which the sealed tenders would be opened would be closed to the press, BUP itself put in a tender. It was for $10. And, to fulfill the requirement that bidders must deposit 10% of the amount offered, it was accompanied by a certified cheque for $1. Under the rules, the BUP's bureau manager, as a representative of a tenderer, was entitled to be present when the bids were opened. Thus, leaving the meeting, he was able to pass to his waiting reporter word that George McCullagh had acquired the Telegram for $3,610,000 before the official announcement was issued.

Some members of the fraternity chuckle over what they consider was smart work. Others doubt that it was ethical.

We must say we found the incident rather refreshing. Probably because it has seemed to us that news-gathering nowadays is more prosaic than it was thirty years ago when newspaper competition was keener and reporters and publishers thought up all sorts of sly devices to get ahead of their rivals.

If we weren't so shy we could tell you how we ourself got a scoop interview with Commander Scott of the British dirigible R-34 when it landed on Long Island to complete the first crossing of the Atlantic by a blimp. We did it by disguising ourself in a suddenly borrowed suit of mechanic's overalls and boldly walking through a cordon of U. S. troops who had orders to keep everybody out until the airship was properly moored.

Again, the Montreal Star, whose New York correspondent we were, beat every other paper in the world to the street with the full text of the official resume of the Versailles Peace Treaty. Simply because weeks ahead of the release date it bought up every telegraph line it could lay its hands on for use that day and was so able to transmit the text much more rapidly than it could have done over one leased wire. Other papers were furious when they tried to do the same thing but found there were no more wires available

Incidentally, as the contracts provided that the wires must be in continuous use, from 7 am to 1 pm., when copies of the Treaty were handed out, we had to feed the operators with every conceivable sort of useless "copy" which went into the waste basket as fast as it was received in Montreal.

* * *

LAST TUESDAY was St. Andrew's Day. In connection with it we had occasion to look up some information concerning the part Scots have played in the upbuilding of Canada. We were pulling a book from our library shelf when another little volume fell out. It was "The Markland Sagas," written by our old friend Thomas H. Raddall and C. H. L. Jones of the Mersey Paper Company. It was a long time since we'd read it. We glanced through the pages, to have our attention suddenly riveted.

More than 900 years ago, a Viking ship dropped anchor off a strange shore. In command of Karlsefni, it had sailed from the Norse colony on Greenland bearing an expedition which probably was in search of timber. On board were two slaves, a man and a woman, loaned to Karlsefni by Leif Ericson. Chosen to reconnoitre, they were landed in a small boat. Where they stepped ashore was to be named Markland by the Norsemen. Today it is pretty well established that Markland was that part of Canada we call Nova Scotia.

The man, Haki, and the woman, Hekia, first white persons ever to set foot on Nova Scotia soil were Scots! They were brought from the Hebrides where the conquering Norsemen had established their rule. And that was 600 years before the men of Sir William Alexander landed to found the colony of New Scotland.

Stop Me If —

"Which would you prefer in your future husband—wealth, ability or appearance?" asked the pretty girl.

"Appearance, my dear," replied the spinster, "and the sooner the better."

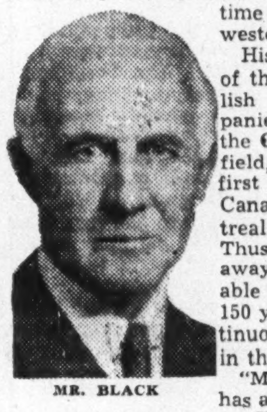
* * *

Bewildered Driver: "I wish Emily Post were here with us. I think we took the wrong fork."

Post Scripts

Phoenix Director

Dapper, white-haired G. Montegu Black who has just been appointed a Canadian director of the Phoenix Assurance Co. of London, is a long-time well-known westerner.



MR. BLACK

His firm, one of the first English fire companies to enter the Canadian field, opened its first office in Canada at Montreal in 1804. Thus it is not far away from being able to celebrate 150 years of continuous business in the Dominion.

"Monty" Black has already lived a normal life span in Winnipeg, to be exact 66 years. Born in Halifax, when a boy of seven he came to Manitoba in 1882. A short time before, his father had been appointed to a position with the Hudson's Bay Co. in Winnipeg.

The Black name has been prominent in the western business directory for nearly 50 years. Apart from being president of his own firm of Black & Armstrong, which he formed in 1917, Black is either president, officer, or director of 15 or 20 other well-known corporations. Half a dozen are brewery businesses operating in the western provinces.

He got his education in Winnipeg. When 17 he started on his first job with the Western Canada Loan Co. Having started in the financial business, he has kept with it during all his business career.

In his younger days he was a well-known athlete. One of the rooms in his home bulges with trophies and medals for athletic prowess. One of the first is from the Winnipeg Rugby Club, when it won the championship of Manitoba and the district of Assiniboia in 1893. Another is a gold medal for having been a member of the Winnipeg Hockey Club which won the Manitoba championship in 1894.

Black's last game of hockey was in 1920. His own firm, short a man in the season's final game in the Financial League, pressed him to don a uniform. Against entreaties of his family and in defiance of laws which should apply to age and physical exertion, he was credited by the sports writers with having played better than a tolerably good game.

One of his hobbies is shooting. Black seldom misses a day or two during the open season and rarely comes back without his quota of birds.

* * *

ACA President

George S. Bertram says he likes to "fool around" with wood, but friends who visit this advertising executive's Toronto home can see there's more to it than fooling.

Guests admire the nautical design of his recreation room (complete with rope bar), and are invariably surprised to learn that Bertram did the actual building himself.

This hobby of "doing things" shows up in Bertram's work as advertising manager of the Swift Canadian Co. For instance, he designs rough layouts himself for Swift's entries in various fairs and exhibitions across the country. He enjoys doing it, and he's able to borrow on experience gained 25 years ago when he first entered the advertising business as a member of a display company.

Now 44, Bertram has been elected president of the Association of Canadian Advertisers, a body of 156 national advertisers with advertising budgets totaling $45 millions a year.

Most important job ahead of ACA next year, he believes, will be the development, in co-operation with other groups, of research techniques which will enable members to aim their ad dollars with increasing precision.

Bertram was born in Toronto and received his education there. His first job was with the Savoy Candy Co., but he left after a short while to get into advertising with the Bennett Display Co., also of Toronto. Still later, he worked in the advertising department of Ganong Brothers Ltd., the candy people.

These moves took up the first five years of Bertram's working career. In 1928, he joined the advertising department of Swift Canadian where he has been ever since, starting in display work and ending up as manager of the department in 1943.

Other activities include the chairmanship of the Food Products Association (whose chief function is the direction of the food products exhibits at the CNE), and three terms as a director of the Advertising and Sales Club of Toronto. He's been an ACA director for nine years, five of them as vice-president.

He likes to get out for a game of golf occasionally, scoring in the mid-90's. He's also a steward of Kingsway Lambton United Church.

Once, during his wife's absence on a trip up the Saguenay, Bertram sold their house and bought a new one — all without telling her. They're still happily married.

* * *

Her Interests Are Consumers

When Mrs. F. E. Wright speaks as president of the Canadian Association of Consumers, she does so with a genuine background of knowledge and understanding of consumer interests and their proper relation to production and trade.

MRS. WRIGHT

When representatives of the nationally organized women's groups and the major French-speaking groups formed the Canadian Association of Consumers a little over a year ago, they enunciated its general purpose as follows: "To develop a more enlightened opinion on economic affairs and consumer interests, and to express this opinion in such a way as to benefit the home, the community and the nation."

Most of the time during the last 30 years, Mrs. Wright has been concerned with some phase of the Canadian economy. At 18, when the Dominion Bureau of Statistics was in its formative stage, she became secretary to Dominion Statistician Dr. Coates. Confronted with a lot of economic research which she didn't feel adequate to do, she enrolled as an extra-mural student at Queen's University and several years later when she went to Queen's for her final year she graduated in arts with a gold medal in political economy. Back at DBS, she worked on such things as estimates of Canadian production and the national wealth.

When marriage took her to Toronto she continued her training in economics in voluntary capacities. She became convenor of the economics committee of the Local Council of Women and worked on various phases of community planning during which she came into contact with low-income groups.

In 1942 she joined the Wartime Prices and Trade Board consumer branch as economic adviser. Among other things she set up price study panels, investigated price-quality relationships. With the discontinuance of the consumer branch, she was named first corresponding secretary of CAC, when it was formed.

Because of her knowledge of prices, she was selected, along with Mrs. R. J. Marshall, the association's first president, to present a brief on behalf of the CAC to the Special Committee on Prices of the House of Commons last year.

This fall she was the unanimous choice of the first annual meeting of the CAC for president.

Food supplies and food costs are continuously matters of consumer concern; they have always been Catherine Wright's concern. Her mother's people were farmers. Her father was a grocer, once operated a couple of cheese factories.

She was born Catherine Margaret Campbell MacRae at Dunvegan in Glengarry County and her father spoke Gaelic. So she comes naturally by her Scottish reserve (and lively sense of humor) and an insistence on knowing her facts and figures before she speaks. She thinks it was a good thing she spent much of her earlier life in Northern Ontario.

Entertaining at home is her chief hobby: the charming small house at Port Credit where she and her husband live always has visitors, the kind that help to wash the dishes. The delightful and spacious garden shows how thoroughly she and her husband indulge their other main hobby.

What Others Are Saying

Editorial of the Week

They Shun Saskatchewan

Regina Leader-Post

By comparison with other provinces, particularly Alberta, the flow of capital into Saskatchewan has been meagre indeed.

The reason for this is not hard to find. Despite statements by the Premier and by other cabinet ministers about the place free enterprise can play in the Government's rapidly modifying program of socialization, the industrialists with money to invest are still wary of a socialist government. They fear that if they come to Saskatchewan, invest money and develop certain fields, the Government may some day step in and take over the whole business.

In New York, Mr. Douglas told a public meeting that his government recognized three types of ownership — state, co-operative and private. He declared that the principal means of production, distribution and exchange should be owned by the community and said his Government had no objection to private property as long as it did not encroach on the economic security of the people as a whole.

Before private investors rise to any bait which the Premier may dangle before them, the Government will have to come out with a much stronger statement giving its views on the operation of free-enterprise capital and guaranteeing such investors the same rights and privileges they are accorded in other Canadian provinces.

Only then will Saskatchewan get its share of capital investment. And if something is not done about the situation soon, it is more than likely the province will miss the boat and be left far behind in its industrial expansion.

Other People's Views

REFORM in the issue of driver's licenses is long overdue states the **Edmonton Journal** which observes: "In Alberta the drivers' license means little more today than that the holder has paid the Government one dollar and has told some official he knows how to drive a car."

WATCH OUT for the "peace crusaders," warns the **Calgary Herald.** "If Canada builds up her armaments, and if she allies herself with other Western nations who are doing the same thing, then the chances for peace are good. But if we, and the other Western nations, allow ourselves to be taken in by pacifist propaganda, then there will almost certainly be war, and we shall find ourselves entering that war unprepared. That is what Stalin wants."

THEY HAVE LEARNED that Canada isn't such a bad place to live, says the **Saint John Times-Globe** of the Mennonites and Yugoslavs who left this country only to return. "Perhaps it would be a good thing if we could remember the experience of the Mennonites and Yugoslavs when we are exercising our democratic right to complain about taxes and costs and scarcities in Canada, and then, maybe, we would realize that Canada isn't such a bad place to live after all."

NEW INDUSTRIES AND NEW SKILLS have been brought to Canada in the past year, boasts the **Vancouver News-Herald,** which summarizes as follows: "Twenty-five British subsidiary firms have been set up in Canada in the last year, bringing the total to 475, with a capital investment of well over $600 millions. More than 75 'refugee' industries from European countries have also been established in Canada, employing 6,000 workers and producing goods valued at $50 millions a year."

PUBLIC DEBT REDUCTION should be a first charge against Ottawa's big surplus, says the **Winnipeg Free Press.** After pointing out that the federal debt alone now stands at over $1,200 per capita the Free Press observes: "This interest cost, the first charge on any government, can only be reduced if the debt itself is reduced. If there was ever a time when we should be reducing debt it is now, when the country is prosperous and revenues high. Failure to reduce debt now would make a farce of the cyclical budget theory, on which the nation is operating, and it could make the debt an intolerable burden under less favorable conditions."

The Financial Post

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Dec. 4, 1948

How To Make Your Business Grow — XI

If Your Business Is Old, Watch Out For the Pitfalls: Lack of New Ideas, and Changes in Your Neighborhood

By J. K. EDMONDS

If yours is an old business, you must keep an eye open all the time for changing market conditions, and these usually take place gradually.

Here are the stories of a druggist who watched the parade pass him by, and went out of business; and of a grocer who fell into step with the parade, and continued to flourish.

Most businessmen who prosper realize the need to cater to the real, not imaginary tastes of their neighborhood. But they must keep their fingers on the business pulse constantly to note changes in the tempo of their market.

If you've been in business a long time, and have developed well established business habits, there are special considerations you should bear in mind. Chances are that in your business experience you have tried out most of the obvious business-boosting methods and have a pretty clear idea of just what they can do for you.

That is one of the pitfalls you should look out for, however. The fact that you've tried a new technique once in the past and had it fail to bring you more business, doesn't rule it out as a possibility for you now. Your business may have remained the same, but your market may have changed more than you realize.

There's a drugstore in one western city that was established 30 years ago in a good residential district. The druggist built up a thriving business by catering to the well-to-do families who occupied the large homes in the neighborhood. He made it a point to keep on hand fine tobaccos and cosmetics, top-quality shaving materials; he achieved a dignified, old-world atmosphere in his store and developed a staff of soft-spoken, respectful clerks who catered, very profitably, to the self-esteem of his clientele. He prospered, became an institution in the district. Buying one's lavender water, cigars or prescription needs any place but X's simply wasn't done.

He Didn't Change with Times

But 30 years went by. X's store remained the same. So did X's customers, individually. Colonel Popham still looked on X with trust and affection. Mrs. Smythe still glowed with appreciation when X produced her special orris-root mixture with a genteel flourish. Still, business fell off. Why? Because there were not enough Col. Pophams and Mrs. Smythes left to support X's business. The district had fallen victim to the process of aging deterioration which plagues all cities: as the old families had died off or moved away, no one was willing to support the old mansions in the style to which they were accustomed.

First emptiness, then duplexes, and finally boarding houses had come to be the standard type of dwelling unit in the area. The families moving in were young couples living on low incomes; single working girls; university students. The new people were not impressed by the dignified atmosphere of X's store; not interested in his high-price, high-quality merchandise. They took their custom to the brightly-lighted store down the street where they could buy budget-priced cosmetics or snatch a quick sandwich served by brisk, impersonal clerks.

As a druggist and as a businessman, X could give the proprietor of the new store cards and spades; he had a superior location and an established reputation. But because he refused to open his eyes to the drastic changes in the neighborhood he had made his own, he lost out to the new regime, finally sold his store for a fraction of its real value.

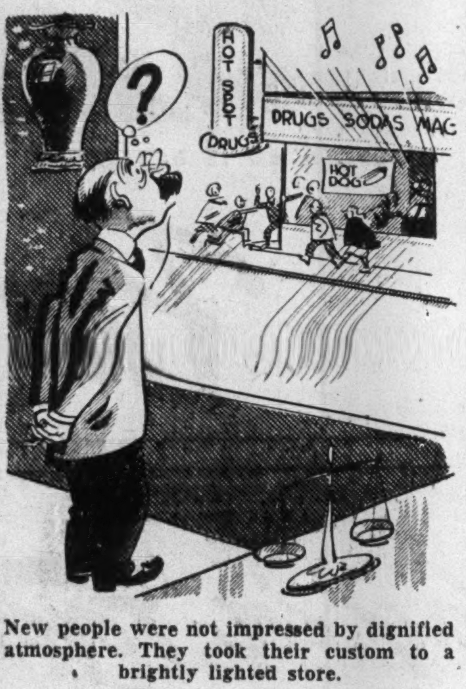
This Man Did Change

Next door to X's drugstore was a grocery. The grocer opened his doors the same day X did, served the same clientele. For the first half of his business life he concentrated on choice cuts of meat, special brands of chutney, careful attention to the telephoned orders of housekeepers and cooks. But as the district changed, his store changed with it. When the young couples moved into the newly created duplexes, he began to feature small roasts, instead of large ones, peak-season vegetables instead of hot-house delicacies.

As time went on he switched to self-serve operation, geared his buying constantly to the new staple lines. He capitalized on his long experience by becoming a sympathetic adviser to novice housewives looking for food bargains.

Then, as the boarding houses began to fill up, he put in a small delicatessen section where students and working girls could find tasty morsels that would relieve the monotony of boarding-house meals without transgressing the "no-cooking" rule.

By watching his district change, and adapting himself to its new characteristics, this grocer kept control of the food business in his neighborhood. The vanishing of the old families meant to him more people per dwelling unit in his area — more customers per square foot. When he retired, he had a vastly expanded business operation which he sold for a top price.



New people were not impressed by dignified atmosphere. They took their custom to a brightly lighted store.

Cater to Real Tastes

These two cases represent the extreme examples of what can happen to an old established business. Most market areas don't change quite so drastically in so short a time as 30 years; most businessmen realize the need to cater to the real, not the imaginary tastes of the neighborhood. But all districts change to some extent; they do so slowly but constantly. And most people find it harder to recognize slow change in familiar places or faces than to see differences in people or things they see only from time to time.

The older-established businessman should, above all, take a new look every now and then at his market, his methods and his prospects. He should approach his own business as if he had never seen it before, and put his experience to work criticizing and analyzing it on a completely detached basis.

In making a market analysis along the lines suggested earlier in this series, he might be tempted to work from memory — to estimate, without investigating, the number, size and income-range of the households he is serving.

It would be well worth his while to let his memory lie idle for a while and do his counting of noses and estimating on the same basis used by the newcomer who may be considering his market as an avenue of expansion.

In all likelihood he'll get no surprises, but simply confirm what his memory would have told him. But even one discrepancy, even one new slant on the market he's serving or the methods he's using, may start him off on a track that will lead to the expansion he wants.

Maybe You Should Move

Changing methods to suit the market is not necessarily the answer, when the old-established businessman discovers that he's up against an entirely new business situation. In the case of X's drugstore, for example, turning into a hustling, modern-style emporium might have made profits for X, but he would never have got from the business the day-to-day enjoyment he felt in being an institution valued by the people he considered important.

His best move might have been to transfer his operations to a residential district where he would find his type of customer — where he could sell his lavender water and orris root and win Colonel Popham's custom by knowing what he meant by "send me another gob of my stuff, will you, X?"

You don't have to have a 30-year-old business to be subject to this phenomenon of change. Under the forced draft of war, some markets have changed more in the past five or 10 years than they did in the previous 50. Even if yours is a type of business in which after a decade's operation, you are still regarded as a green youngster, keep your eye open for shifts in the situation around you.

Then, while your increasing business experience will continue to grow as an asset, it will never cost you profits by leading you to take your market for granted.

HYDRO-ELECTRIC POWER COMMISSION of ONTARIO new issue of $45 million 3% bonds, to be dated Dec. 15, 1948 and to mature Dec. 15, 1965 is being offered by a large group of investment dealers headed by the Bank of Montreal, McLeod, Young, Weir & Co. and Wood, Gundy & Co. Offering price is $99 and accrued interest to yield 3.08%.

Proceeds are to meet in part the cost of acquisition of property and the construction of works, which have been duly authorized, and to repay any temporary borrowing of the Commission for such purposes.

Direct debt of the Commission to the public in the form of bonds guaranteed by the Province of Ontario, including this issue, is $245,539,000 the Commission owed the Province $73,489,295 as at Nov. 24, 1948.

CATCH 'em YOUNG!

THERE ARE GOOD REASONS why a farm magazine, which goes out of its way to interest children should have extra value for advertisers.

First impressions are strongest and lasting. Boys will not buy your tractor, stock food or wallboard NOW. But every year, thousands of them graduate into buying age. Girls who now rely on their mothers to choose brands of flour, soap or floor coverings, SOON will be housewives themselves.

Will these young folks start their independent lives knowing and favoring your product?

If you have been advertising in the Family Herald the answer is definitely — yes!

Through its Children's page, the Maple Leaf Club, Weekly Comics and special Children's articles, the Family Herald has won, and held, the loyal readership of more young people than any other Canadian farm magazine.

OVER 350,000 EVERY WEEK

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MAPLE LEAF MILLING CO. net profit for the year ended July 31, 1948 showed a substantial rise at $1,539,602 ($1,165,026 previous year). Although the year's business was marked by continued heavy demand for company's products, the world-wide shortage of cereals necessitated reduced allocations of wheat for milling purposes, with the result that company's mills were not able to operate at their full capacity during the latter part of the year and total production and gross revenue were reduced accordingly.

Company's feed and cereal operations continued on a favorable basis, it is stated. Extensive program of plant modernization and diversification of products has been continued. The new warehouse at West Toronto is now completed and working. The bulk flour storage and packing plant at West Toronto is still under construction due to material shortages. A new building which will supply up-to-date facilities for research on products and processes will be in use before end of 1948.

CONS. INCOME ACCOUNT

Years Ended July 31:	1948	1947
Net earnings	$3,159,463	$3,737,452
Less: Depreciation	289,891	178,187
Bond interest	131,875	140,275
Empl. pens. fund	154,095	115,964
Spec. invent. res.	......	650,000
Income taxes	1,044,000	1,488,000
Net profit	1,539,602	1,165,026
Less: Divds.	321,233	214,409
Surplus for year	1,218,369	950,617
Times All Interest Earned:		
Before deprec.	23.96	26.64
After deprec.	21.76	25.37
Earnings per Share and Dividend Record:		
Common	$3.60	$2.72
Paid	0.75	0.50

CONDENSED CONS. BALANCE SHEET

As at July 31:	1948	1947
Cash & Dom. bonds	$362,541	$210,027
Accts. rec.	2,383,659	2,945,568
Inventories	4,413,283	7,811,429
Total curr. assets	7,159,483	10,967,024
Prep. exp.‡	94,920	110,285
Other assets▲	631,840	883,004
Invest. in sub., etc.	2,131,253	2,051,705
Fixed assets*	4,338,204	3,404,005
Total assets	14,355,700	17,416,023
Bank loans	1,275,935	4,772,480
Accts., tax., etc., pay.	2,269,260	2,690,160
Ser. deb. instal.	200,000	200,000
Total curr. liab.	3,745,195	7,662,640
Debentures	1,200,000	1,400,000
Funded debt	2,240,500	2,400,500
Emp. stk. res.	105,500	112,000
Capital stock	2,318,100	2,318,100
Less: Held by subs.	10,030	9,282
Surplus♦	4,656,435	3,532,065
♦Incl. ref. EPT	683,000	683,000
*After depr. of	3,410,886	3,181,860
▲Incl. ref. EPT	378,800	683,000
‡Incl. in curr. assets in co's report.		
Working capital	3,414,288	3,304,384

TRADERS FINANCE CORP. subdivided class "A" and class "B" common shares without par value were posted for trading on the Toronto Stock Exchange on Nov. 25. Supplementary Letters Patent on Nov. 23, authorized capital of the company was changed to 35,000 4½% cumulative redeemable preferred shares of $100 par value, 225,086 class "A" and 120,000 class "B" common, all without par value.

SCYTHES & CO. has purchased an additional 110 preferred shares of company's outstanding stock for redemption, reducing preferred outstanding to 15,180 shaes.

Our Factories Set Record For Production in 1947

Mechanization and employment have been mounting together in Canadian factories from Breton to Rupert.

From small to largest, many manufacturing groups show recent gain in physical volume of production greater proportionately than their parallel rise in employment, though the increase in jobs also has been substantial.

Take the relatively tiny wooden vehicle industry. With power tools, process streamlining and better buildings, Canada's carriage, wagon and sleigh makers are producing well over the $3 million mark for the first time. Not forgetting price increase, the total represents almost double earlier physical volume. Here, employment is up 60%, a sharp gain in jobs. But the rise in output is greater.

Then, there's the nation's top manufacturing group—pulp and paper. With an employment gain around 11% in the year, that industrial giant is pouring into foreign and Canadian markets over $700 millions a year of its world-ranking product, for substantial rise in volume of goods and a value gain of one-third in the year.

These are among highlight conclusions to be drawn from an inside-page reading of the figure-packed "Manufacturing Production in Canada 1947 (Preliminary Estimate)." The publication is among the most recent industrial census reports from Dominion Bureau of Statistics.

At $10 Billion Mark

Canada's total manufactures last year hit a new high in dollar value at $9,976 millions, up 24.2% over value reported in 1946. The 1947 figure, at nearly $10 billions, is 10% over the previous high point reached in 1944, when manufacturing was directed to war production.

Physical volume of output was up sharply, also, though not to the same extent as the value total might suggest. Rise in prices must be credited with a slice of the $2 billion gain over 1946. However, the index of physical volume (1935-39=100) is expected to stand at about 158 for 1947, against 150.3 in 1946 and 106.3 in 1939. That stacks up as a 49% rise between 1939 and 1947 for physical volume, compared with 187% in value.

Employees in 1947 manufacturing numbered 1.12 millions, a gain of 6% over 1946 but still well below the record 1.22 million war peak in 1944. Between 1939 and 1947, increase in employment was about 70%.

Paid out in manufacturing wages and salaries in 1947 was a record $2,070 millions, up 19% from 1946, as against the 6% concurrent rise in number of workers. The 1947 wage-salary bill was 180% over the 1939 total.

Here's the tabular picture of rank in 1947 production value and percentage gain over 1946:

	Production value '47 ($ millions)		% gain over '46
Wood, paper	1,953	Nonferrous metal	44.7
Iron, prods.	1,780	Wood, paper	31.6
Vegetable	1,769	Iron, prods.	26.6
Animal	1,268	Nonmetallic mineral	23.4
Textile	1,057	Vegetable	20.3
Nonferrous metal	1,041	Textile	18.9
Nonmetallic mineral	551	Chemical	18.5
Chemical	446	Animal	12.0

But those are just the broad groups. Within them, particular segments show greater expansion than others. Here are "growth" sectors in the three leading percentage gain divisions of Canadian manufacturing.

Nonferrous metal products — The electrical apparatus and supplies branch stands out. Its 275 plants reported 1947 production topping $366 millions, up 56% from 1946.

White metal alloys rank next in proportionate gain over 1946; 50 plants with $40 millions output, up 52%.

Smelting and refining are a close third, with 15 plants and $453 millions of 1947 production, 49% greater than the year before.

Those were leading gainers in nonferrous metals. Brass and copper products reported $97 millions, up 35% over 1946; aluminum products $40 millions, up 20%; jewellery, electro-plated wares-etc., $39 millions, up 7%.

Wood and Paper Products—The carriage-wagon-sleigh group's $3.1 millions of 1947 output is only a small part of wood and paper's $2 billions. But it represents the greatest gain over 1946, an even 100%. Furniture comes next in proportionate gain, then veneer and plywood, sawmills, refrigerators and boatbuilding, in that order.

Here's how the first 15 of 28 wood and paper subgroups ranked in (a) total value of 1947 production, and (b) percentage gain over 1943:

	Production value '47 ($ millions)		% gain over '46
Pulp, paper	707.0	Carriages, wagons and sleighs	100
Sawmills	405.2	Furniture	85
Printing, publ	125.2	Veneer, plywood	54
Furniture	121.3	Sawmills	41
Planing mills, sash, doors	98.6	Refrigerators	40
Printing, bookbind'g.	92.2	Boatbldg.	36
Boxes, bags (paper)	89.7	Flooring (hardwood)	32
Misc. paper prods.	79.7	Pulp, paper	34
Veneer, plywood	44.5	Cooperage	30
Roof, pap. etc	27.7	Trade comp. (printing)	27
"All other"	26.6	Misc. paper	24
Lithog'g.	24.8	Planing mills, sash, doors	23
Boxes (wood)	23.5	Roof pap. etc.	22
Engrav. stereo'g., electro'g.	17.9	Boxes, bags (paper)	20
Misc. wood prods.	17.8	Printing, pub'g.	20

Iron and products—Autos, farm tools, wire lead the percentage gain parade in manufactures of iron and its products. Automobiles, with the highest total — $341 millions—also show the greatest gain, at 76%. Agricultural implements come second in proportion of gain, at 40%, followed by wire and wire goods, 36%.

Here's how the first 10 of 18 iron and products subgroups ranked in (a) total value of 1947 production, and (b) percentage gain over 1946:

	Production value '47 ($ millions)		% gain over '46
Autos	340.9	Autos	76
Prim. iron, steel	200.1	Agric. implements	40
Machinery	192.1	Wire, wire gds.	36
Ry. roll. stock	148.2	Machinery	32
Sheet met. prods.	130.9	Boilers, tanks platework	31
Auto supplies	107.4	Prim. iron, steel	31
Castings (iron)	100.1	Bridge, structural steel	28
Shipbldg. repairs	96.9	Iron, steel prods. (n.e.s.)	27
Agri. implements	88.7	Aircraft	25
Hardware, tools, cutlery	80.9	Castings (iron)	22

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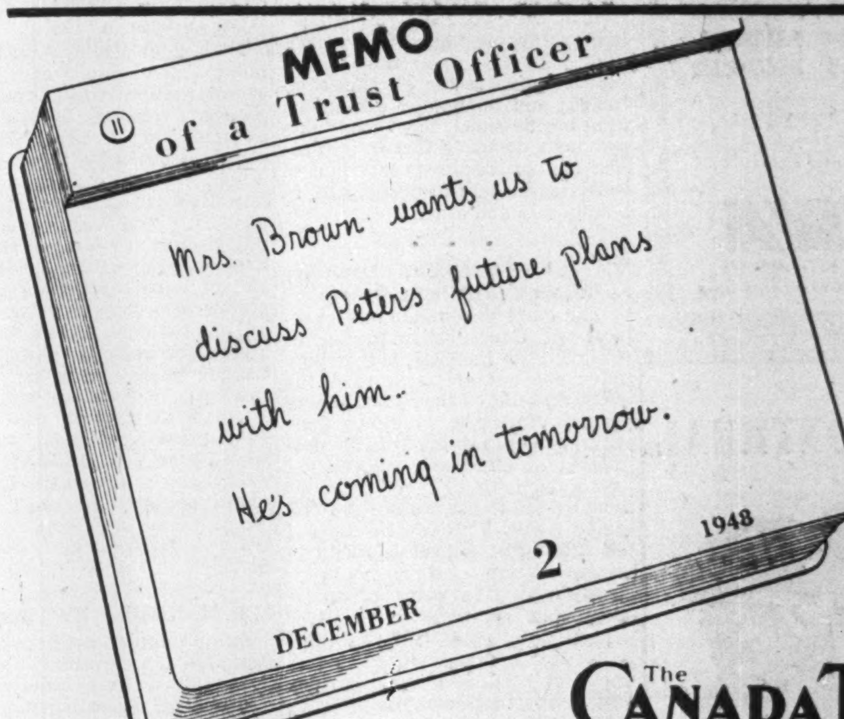

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"Indigestion"

often is only a minor discomfort due to improper habits of eating and drinking, nervousness, fatigue, and emotional strain.

Sometimes, however, "indigestion" may be a warning sign of certain diseases.

So, if you have "indigestion" frequently, you should see your doctor. Remember ... *better digestion is a step toward better health!*

Good living habits can be an aid to good digestion

The digestive system has been likened to a chemical factory. Here, innumerable gland cells manufacture juices which act chemically upon the food we eat, so that it can be absorbed and used by the body.

When the system fails to function properly, "indigestion" usually results. Fortunately, this condition can generally be corrected by following a few common sense rules, under the guidance of your physician. He may suggest changes in your diet, eating moderately, keeping in good physical condition, and avoiding mental or emotional tensions.

Whatever may be the cause of your "indigestion," prompt diagnosis and any necessary treatment offer the best chance for cure. Today, new drugs and new surgical methods hold promise for better control of physical diseases of the digestive system. In certain types of cases, some doctors are finding psychotherapy increasingly important.

If you have frequent attacks of "indigestion," don't try to be your own doctor. The continued use of home remedies may do more harm than good, and may delay the start of proper medical care.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
Home Office: New York
Canadian Head Office: Ottawa

How Prepare for Election?

The Question: What should Liberal and Progressive Conservative party organizations now be doing, to prepare for forthcoming federal election?

Canada's old-line political parties will face a sharp challenge from left-wing groups, in the next federal election; and can best meet it by thorough organization, and by offering the voters sound, constructive policies, stripped of much of the political ballyhoo of the past. This, in a nutshell, is the majority opinion of Canadians answering a Financial Post questionnaire on the subject. Many stressed the need of nominating candidates of the highest calibre, and of persuading more of the solid citizenry of the country, to take an active interest and part in the campaign. Few favored any form of outright coalition; probably since such a step would automatically constitute the CCF as the official Opposition; but at least one observer urged the old parties to agree on joint candidates, in constituencies which the Socialists might carry by a minority vote in a three-candidate contest.

J. A. CLARK, K.C., Vancouver.

Liberal and Conservative party organizations can best prepare for federal election by producing candidates worthy of public confidence and by making the people realize that their individual freedom as opposed to socialistic controls, depends upon their active participation in the election campaign; and finally, by convincing the businessmen that good government demands that they furnish a reasonable proportion of business leaders to participate, as candidates and otherwise.

* * *

J. F. FLAHERTY, Publisher Buchanan's Bulletin, Ottawa

The chief weakness of the Liberal and Conservative parties, as compared to the CCF, is that they have got out of touch with the rank and file of the voters. Party organizations should direct their efforts to remedying this by promotion of clubs and associations at the community level, self-supporting and not subsidized by party funds. This can be done if an intelligent appeal is made to representative citizens not presently active in party organizations, but sympathetic to party aims. Clubs could enlarge their influence by providing modest social entertainments and by aiding nonpartisan community projects after the fashion of service clubs and women's organizations.

* * *

GERALD GODSOE, Executive vice-president, British American Oil Co., Toronto

They should build up riding associations. This means securing more and more public-spirited citizens to assist in this important organizational work. It also involves, where necessary, ridding the local associations of undesirables.

They should select the best candidates possible. This may mean interesting people in public life who have hitherto avoided it. No candidate should be selected because of present membership in the Commons or former candidacy.

They should explain to the public the true values of our present system of government. Both parties stand for this system, but important segments of the public are confused and are being attracted by the fairy-tale offerings of other systems.

* * *

WALLACE GOFORTH, Economist, Toronto

Both older parties must now rebuild the vigorous and vertical representation which they once enjoyed among all electoral groups. Youth, Labor and the farmer—especially these — need a restatement of Liberal and Conservative objectives that avoids pandering and vague generality, but is clearly expressed in practical terms of common advantage and of equal opportunity. These groups also deserve a larger part in local political organization, and a stronger voice in party policy. Canada requires a rebirth of the two-party system, to move forward—with greater caution, or with greater boldness, as each period may demand—but always within the context of a free and stable society, in which work, thrift, talent and creative force are not fettered by a paternal State.

* * *

L. D. HYNDMAN, K.C., Edmonton

In my opinion, both the Liberal and the Conservative organizations should now indulge in a measure of self-criticism regarding their persistent attempts to besmear the CCF. The public utterances of prominent Liberals and Conservatives, who are privately decent, fairminded individuals, reviling the CCF in unfair terms and, in particular, denouncing CCF members as Communists, are disgusting exhibitions of political indecency. Any Grit or Tory possessing an honest sense of fair play, who maligns adherents by branding them as Communists, is an illbred perjurer. A reconsideration of this political attitude will establish a degree of decency in public affairs which this country sadly lacks.

* * *

GEORGE W. JAMES, Editor, Canadian Statesman, Bowmanville.

The two old-line party organizations should be organizing intelligently now for the coming election. To stop the CCF Socialists whom they both profess to fight, they ought to agree on joint candidates where the CCF elects minority members. At all other points let them fight it out on straight party lines, with the winner forming the government. The one which most strongly supports free enterprise and champions a sound, strong farm policy, will win the prize. Just as the farm vote elected Truman, it will be the decisive weight in Canada where the farm vote is turning against state Socialism. That's the whole question; it's a fight to stop the CCF cold. The two old parties should stop attempting to outdo each other on Socialist lines, come to reasoned agreement over lost seats and finally, take a leaf from the CCF book and organize intensively and continuously in every constituency in Canada on the foregoing lines. They've got to get down to common sense sometime, and the time is now, if democracy is to be saved.

* * *

RICHARD J. NEEDHAM, Associate editor, Calgary Herald

Do you mean what they should be doing from the moral viewpoint, or what they should be doing from the viewpoint of practical politics? If, as I assume, you mean the latter, they should be figuring out ways in which to buy votes—and I emphasize the word "buy." The accepted method of buying votes in present-day democracies is by promising to take away money from those who have it and give it to those who haven't. The Liberals and Conservatives should therefore be getting ready for the next election by figuring out bigger and better methods of redistributing the nation's wealth, so that the competent and industrious will be suitably punished, and the indolent and incompetent suitably rewarded. And, that, in fact, is precisely how they are getting ready for it. Present indications suggest that the people of Canada, at the next federal election, will be asked to choose between Drew Socialism, St. Laurent Socialism and Coldwell Socialism. I think I'll stay home with a good book.

* * *

FLETCHER RUARK, Former Secretary, Hiram Walker, Gooderham & Worts, Walkerville, Ont.

I am no politician, but a retired business executive; consequently, this opinion is given as an individual based on observations of many past federal elections. The greatest danger to Liberals, as the party in power, is to assume a smug attitude and take things for granted. For the Conservatives, out of power for so long, their most fatal mistake would be to base present conclusions and actions, prior to and during the next federal campaign, on political and other interpretations in former years. Conditions have changed radically and the majority of the populace nowadays does its own individual thinking. Therefore, I would say what Liberal and Conservative party organizations should now be doing is to formulate tentative platform fundamentals and organize in each and every province so as to make individual contact with the voter and ascertain his or her personal reaction to such fundamentals and their reasons for the same, and thus be able to prepare a true survey of the whole country, not guesswork, as recently witnessed. Such a survey could be accomplished inside of six months. The foregoing, in my opinion, is the soundest manner to prevent either the Socialist or Communist group from getting control of the Canadian federal government.

* * *

R. G. SMITH, Calgary Vice-president & director, J. J. Gibbons Ltd.

Both major parties should build up constituency organizations from grassroots, so that the voter himself is aware of his citizenship responsibilities. Too much blah from party brass hats would be out of place right now, but leaders must soon travel, let people meet them and get to know them. The voter should be told "what the party will do if elected" and not what it has done in the past. Politicians should refrain from attacking opponents. Previously there has been far too much slamming. If Canada is ever to be a united nation, party criticism must be toned down, sectional differences forgotten. Talk, plan and work for the good of the whole. Newspapers should faithfully report speeches, reserving criticisms to the editorial pages.

* * *

LEO SWEENEY, President, International Evergreen Playground Association, Vancouver.

By far the most important work the Liberal and Conservative organizations have ahead of them is to make Canada honest-to-God Canadian. Also, to adopt a national flag and a national emblem. Educate the educators to inculate into the minds of all Canadians that Canada is a great and a grand country, and worthy of boosting at all times; that we have the finest laws in the world; that we enjoy the most freedom of any people and also the highest standard of living. I also suggest that easterners more often visit the wide open spaces of the west and the charmed area known as British Columbia. Finally, I suggest that they glamourize work, and shout the virtues of Canada's way of life so long and loud that the crackpots who advocate funny-form ideologies will line up as good Canadians or travel fast to a country they like better.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ISLAND TUG & BARGE Ltd.—Victoria, B.C. net profit for the year ended July 31, 1948, was up sharply at $115,333 ($44,205 previous year). The profit figure includes a nonrecurring profit of $65,257 arising from sale of certain capital assets.

During the year the company contracted for and successfully completed one of the longest commercial towing jobs ever undertaken, President H. B. Elworthy states. The company tug Snohomish towed six smaller tugs which were loaded on the company barge Island Yarder from Seattle, Washington, to Buenos Aires, Argentina, a distance of some 11,000 miles. At completion of the trip the company boats were sold to advantage, and crew members returned home by air.

INCOME ACCOUNT

Years Ended July 31:	1948	1947
Net earnings	$151,642	$132,249
Less: Deprec.	61,147	44,522
Interest	12,891	15,022
Bad debts w/o	328	......
Income tax	27,200	28,500
Add: Nonrecur. prof.	†65,257	......
Net profit	115,333	44,205
Less: Pref. divd.	23,600	......
Surplus for year	91,733	44,205

†Includes $65,097 net capital gain on disposal of tugs and $160 gain on purchase of co's. bonds.

Earnings per Share and Dividend Record:		
Preferred	$2.88	$1.11
Pref. (aft. partic.)	0.75	0.59
Paid	0.50+0.09♦	....
Com. (aft. partic.)	9.48	2.29
None paid.		

♦Participating bonus.

Note: Earnings in 1948 included nonrecurring profit of $1.63 per pref. sh. and $7.25 per com. sh.

CONDENSED BALANCE SHEET

As at July 31:	1948	1947
Cash	$65,757	$58,701
Accounts rec.	165,375	109,751
Supplies & prep. exp.	7,579	9,242
Total curr. assets	238,711	177,694
Unexp. ins.§	14,471	14,473
Def. exp., etc.	18,762	3,676
Investments	22,875	21,905
Ref. EPT	14,850	14,849
Fixed assets*	741,610	841,331
Total assets	1,051,279	1,073,928
Accts., tax., etc., pay.	121,010	149,875
Bonds due	35,000	35,000
Total curr. liabs.	156,010	184,875
Reserve	2,014	1,531
Funded debt	229,000	315,000
Capital stock	430,000	430,000
Earned surplus▲	234,255	142,522
*After depr.	173,854	124,790
▲Incl. ref. EPT	14,850	14,849
§Incl. in curr. assets in co's. report.		
Working capital	82,701	†7,181

†Excess of curr. liabs. over curr. assets.

PACIFIC PETROLEUMS advises that an additional three million $1 par value shares have been listed on the Toronto Stock Exchange, bringing total listings to five million shares.

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*387 up, C.N. ships, 18 dys, Hlfx. to Nassau & Kingston, Dec. 10, 27.

$425 up, CARONIA, 14 days, New York to La Guaira, Curacao, Panama Canal, Kingston, Havana, Feb. 12, 28, Mar. 17, Apr. 4.

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"HIGHLIGHT"-53 Days $1185.00

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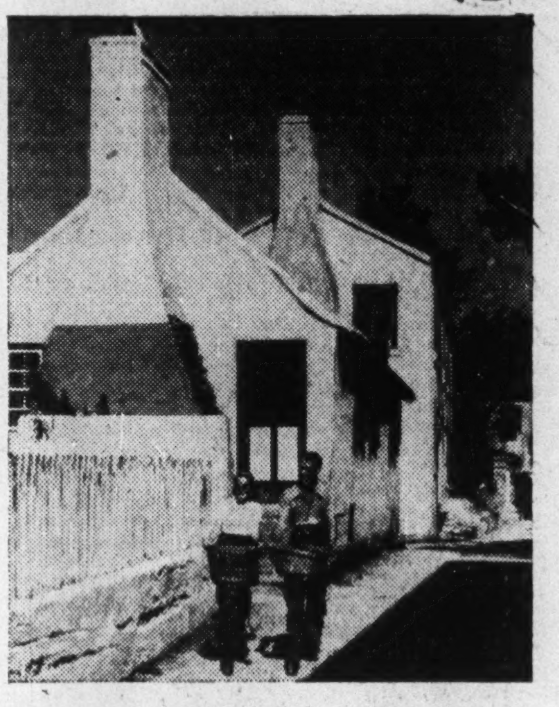

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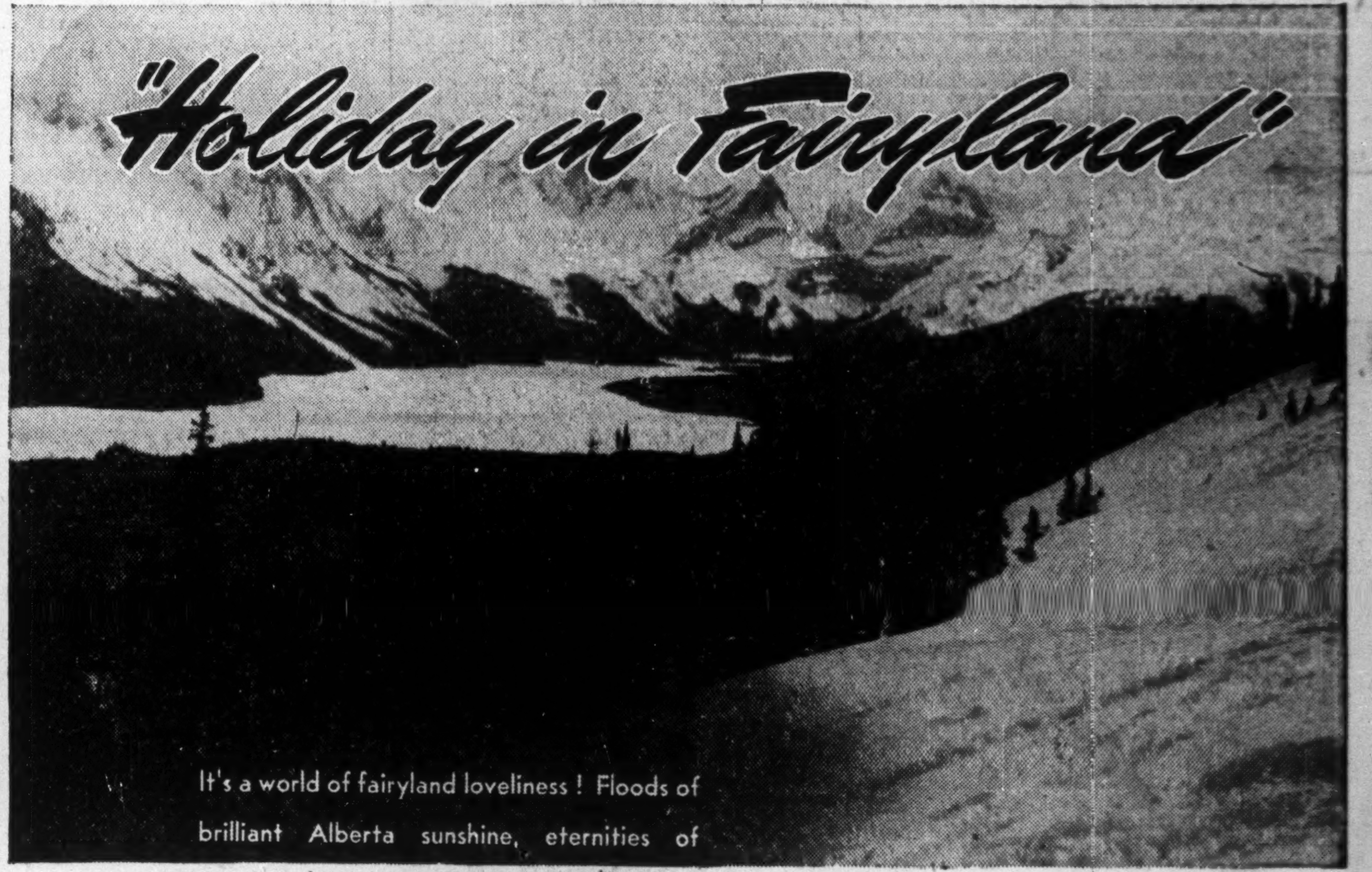

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U.S. Parity Price Program To Hit Canadian Exports?

Potato Surplus on Both Sides of the Border Brings "Floor" Action by Canada on Product of Two Maritime Provinces

OTTAWA (Staff) — Long-run implications of the U.S. parity price program in shutting out Canadian farm products from the U.S. market were foreshadowed last week when Canada clamped her own embargo on table potato shipments to the U.S.A.

At the same time, this country announced it would put its own support price legislation under the Canadian potato market next year to ease the impact of a bumper crop now denied access to the United States.

Potatoes are the second Canadian farm product to be brought under federal Agricultural Prices Support Act. The other crop is apples. The only other occasion on which this legislation was used was a brief underwriting of U.K. contracts made necessary by a technical oversight in other legislation.

Estimated cost of price support legislation for apples last year was about $3 million; this year the cost is put at $2 million.

It is too early to make any sort of intelligent guess on the cost of the Canadian potato "floor." The support price of $1.15 per 100 lb. for Canada No. 1's basis in the bin on the farms is not considered very attractive; is expected to discourage large crops next year.

Applies Only to Maritimes

This support price applies only to growers in the concentrated carlot shipping sections of N.B. and P.E.I. Maximum crop in these areas which would be eligible for subsidy (after allowance for shrinkage, seed, etc.) is estimated here at about 20 million bu. (The total Canadian crop is now put at 92.4 million bu. — about 18 million bu. above the 5-year average. Of this, about a third is grown in the two affected areas. Shrinkage cuts this by 20 to 25% and seed requirements by a further 10 to 12%.) Of the marketable crop in this area, about 6 million bu. has already been marketed this year, either for export or to other parts of Canada.

The potato "crisis" has been brewing here for the past month. It arose because of the fantastic U.S. floor price estimated likely to cost the U.S. taxpayers between $100 and $150 million before the crop year is finished. Some U.S. officials are said to have claimed that if nothing were done to prevent Canadian potatoes from entering the United States freely this winter, the cost to Washington under the present freak legislation, of buying Canadian spuds would be as much as $25 million.

Canadian potatoes have been selling around the $1.85 mark at Montreal, and were entering the U.S. at a substantial rate. Because of the pre-existing U.S. surplus this meant that virtually every Canadian imported potato was being subsidized by the U. S. taxpayer.

Watch Seed Potatoes

Canadian authorities recognized that no government could be expected to permit this to happen no matter what the quota or tariff arrangements. What they were anxious to avoid was the complete shutout of all Canadian potatoes, especially seed potatoes which have long had an important part in Canada-U.S. trade.

The U.S. Department of Agriculture did actually take steps to have hearings before the Tariff Commission looking toward a complete ban on Canadian potatoes. This they are entitled to do under the Reciprocal Trade Agreements Act. There is little doubt that this step would have been taken had it not been for immediate Canadian representations which have been under way for the past four weeks.

In place of the U.S. imposing her own shutout on all Canadian potatoes, Canada has undertaken to put all Canadian exports of potatoes to the U.S. under export control as at Dec. 1, and to grant permits only to bona fide seed dealers under a specific schedule to correspond with U.S. seeding conditions.

The long-run implications of this incident have not been lost on trade officials on both sides of the border.

The main implication is this: that Canadian farmers are in for extra trouble and disappointment in the U.S. market whenever surpluses appear, and high U.S. parity prices start to operate.

The Troublesome Areas

Chief areas, affecting Canada where this principle is expected to operate are wheat and potatoes. Others which may be troublesome in the future are: cattle, beef, coarse grains and possibly apples.

No matter how favorable may be the tariff or quota arrangements which Canada is able to obtain by negotiation, once the U.S. government gets into the buying of surplus crops at higher prices than those which prevail in Canada, the red light will go up.

The chief favorable factor here is that most of the major crops subject to parity price support in the U.S. are not crops in which Canada is likely to be a supplier. Thus corn, cotton, tobacco, peanuts, etc., are not of concern to Canadian growers.

Chief impact on Canada would likely be the items already listed, especially wheat. So long as the United States is in a surplus position on wheat, and operates a parity price for domestic wheat the chances of Canada selling her wheat in the U.S. are just about completely zero—no matter what the tariff or the quota.

In potatoes, it is too early to know yet just how large has been the export of Canadian product this year to the U.S. But under the Geneva agreements of 1947, Canada enlarged her quota on certified seed potatoes from 1.5 million bu. to 2.5 million bu. during the 12 months period beginning Sept. 15 in each year. Rates of duty remain unchanged at 37½ cents per 100 lb. or 22½ cents a bu. within the quota. Canadian exports of seed potatoes to the U.S. outside the quota are subject to the full duty of 75 cents per 100 lb. or 45 cents a bushel.

The present U.S. floor price in Maine (f.o.b. cars) is about $2.60 per 100 lb. This increases month by month and reaches a peak of about $3.25 next April.

COMPANY REPORTS

UNITED DISTILLERS OF CANADA total consolidated net income dropped 79.8% to $2,764,491 in year ended Dec. 31, 1947, and, despite a $7.9 millions reduction in income tax provision, net profit dropped 68.4% to $1,414,940.

During the year the company acquired all the outstanding shares of certain foreign companies for $3,300 and assumed all obligations and liabilities, to the exoneration of the vendors. Net assets of these subsidiaries include 236,597 shares of United Distillers of Canada, which these subsidiaries propose to sell to United Distillers Ltd., a wholly-owned Canadian subsidiary, for $2,957,463 cash.

Upon completion of transactions, it is proposed to liquidate the foreign subsidiaries. This is expected to result in addition of approximately $6 millions in cash to the consolidated net assets of United Distillers of Canada; and to result in a reduction of 236,597 shares in the number of shares of subject company outstanding in the hands of the public.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1947	††1946
Total net income	$2,764,491	$13,680,655
Less: Depreciation	122,889	94,856
Pension fund	14,640	17,077
Interest	......	16,549
Inc. tax res.♦	1,212,022	9,080,630
Net profit	1,414,940	4,471,443
less: Dividends‡	335,377	67,076
Surplus for year	1,079,563	4,404,367
♦Incl. refund. EPT	......	532,800

‡After deducting subsidiary divs. amounting to $49,626 in 1947, $9,924 in 1946.
††15 mos.

Earnings per Share° and Dividend Record:		
Com.: Excl. ref. EPT	$2.11	$6.67
Inc. ref. EPT	2.11	7.46
Paid	0.50	0.10

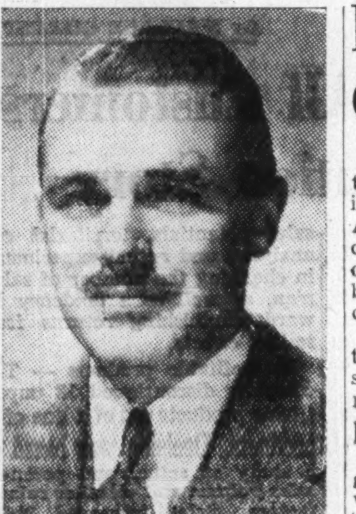
*Based on shares held by the public.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$1,828,250	$3,498,786
Accts. rec.	1,102,442	1,406,452
Inventories	4,358,702	3,439,931
Total curr. assets	7,289,394	8,345,169
Misc. assets▲	2,129,810	2,639,300
Invests. in subsids.	♦7,669	......
Fixed assets*	1,444,354	1,209,048
Goodwill, etc.	45,001	45,001
Total assets	10,916,228	12,238,518
Accts., taxes, pay.	1,404,564	3,286,597
Total curr. liab.	1,404,564	3,286,597
Purch. contract	426,282	921,560
Capital stock‡	1,004,404	1,006,542
Earned surplus▲	7,484,816	6,405,253
Capital surplus	†596,162	†618,566
*After depr. of	1,327,399	1,209,894
▲Incl. refund. EPT	1,628,600	1,628,600

†Includes surplus of $571,309 arising from sale of former U. S. subsidiary.
‡Not incl. shs. held by subsidiary.
♦Includes $3,300 purchase price for all oustanding shares of certain foreign companies; the latter companies propose to sell 236,597 shares of United Distillers of Canada Ltd. (included in their net assets), to United Distillers Ltd. for $2,957,462. Following this transaction, UDCL proposes to liquidate the foreign subs. for approx. $6,000,000.

Working capital	5,884,830	5,058,572



A. F. MAYNE

has been appointed assistant general manager of the Royal Bank of Canada, with which he has been connected since 1925.

ECA's $600 Millions Here Over Half Overseas Exports

OTTAWA (Staff)—Total authorizations for ECA purchases in Canada in the year ending April 1, 1949, are expected to exceed $600 millions, The Financial Post is informed. This will be the first full year of ECA operation.

This means that the impact of this program on Canada represents at least $50 millions a month in terms of Canadian export trade.

The importance of this program to Canada may be realized when it is stated that this ECA "offshore" buying in Canada, represents over 55% of all Canadian exports, exclusive of our sales to the United States.

Latest ECA totals available here, cover the period ending Nov. 24. A feature of the most recent figures is that they include heavy advance orders by United Kingdom for Canadian metals—aluminum, copper, lead and zinc.

Up to and including the week ending Nov. 24, total ECA authorizations for expenditure in the United States, Canada and other "offshore" countries were $3.5 billions, exclusive of ocean and inland freight.

Of this total, 16% or $570 millions was for expenditure in Canada.

Since total offshore authorizations were $1.4 billion, it appears that 41% of offshore money was being spent in Canada.

The new figures include for the first time, substantial advance commitments both for the first and second quarters in 1949. The latter is presently "ghost" money, since Congress has not yet officially authorized expenditure beyond April 1. However, there is now no doubt these funds for the second quarter of 1949 will be authorized.

Figures covering authorizations between Nov. 8 and Nov. 24 show total commitments in Canada of $174 millions. Of this, $54 millions represents purchase of metals broken down as follows:

ECA AUTHORIZATION FOR METALS PURCHASES IN CANADA BY U. K.
(in millions of $)

	4th Quar. 1948	1st Quar. 1948	2nd Quar. 1949	Total*
Aluminum	10.0	5.0	5.0	43.0
Copper	8.2	4.7	2.0	31.0
Zinc	3.8	3.8	2.0	15.8
Lead	4.3	3.3	2.0	17.0
	26.3	16.8	11.0	106.8

*Includes past authorizations and future commitments as shown.

Other big items for authorization by the United Kingdom in the two-week period ending Nov. 24 were $72 millions for wheat and $13.5 millions for wheat flour, covering the 4th quarter of 1948.

Total United Kingdom authorizations, including forward commitments, now stand at $439 millions. Of this, $190 millions is for wheat; $48.5 millions for wheat flour and $107 millions for aluminum and base metals.

High Rate May Not Continue

Although ECA authorizations in Canada to date have been unexpectedly large it is not anticipated that this high rate of commitments will continue through 1949.

There are two reasons for this:

1. The over-all amount of ECA money will not be as large in subsequent years as it has been in the first 21 months.
2. It is expected that from now on there will be a larger proportion of funds spent on rehabilitation and capital-type goods and less on foodstuffs, etc.

The large amount committed for foods and raw materials, especially by the U.K., has accounted for the big Canadian authorizations.

These high proportionate figures for the United Kingdom show the degree to which Canada's exports to that country are presently dependent on these appropriations.

Combines Report On Baking Trade Is Expected Soon

OTTAWA (Staff)—Report of the Combines Commission on the western baking industry is likely to be made public within the next week or 10 days, The Financial Post is informed.

The report will be based largely on the findings of Carl Goldenberg of Montreal, who was named by the Commission to investigate alleged monopoly conditions.

Meanwhile, further action in respect of the dental supply group and the optical goods industry is in abeyance, pending decision of the Ontario Appeal Court on a recent Toronto judgment in the dental supply case.

The Commission is now completing its findings on operations of the flour milling industry, which are expected to be made public by Christmas.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Vancouver will be the third Canadian city to organize a chapter of the National Industrial Advertisers Association.

By last week, 20 applications had been signed for a Vancouver chapter, and a temporary committee formed, comprising: Jack Melville, Leagh Webster, H. Goodwin, Allan Coe, J. L. Weir, William Murphy, and Archie Moore.

Next meeting will likely see the election of a board and the adoption of a constitution. There are now 26 NIAA chapters throughout U. S. and Canada, with an aggregate individual membership in excess of 3,200.

* * *

Fluorescent paint (red and green) is used to put across two radio sales messages keyed to present hydro shortage in Ontario. One is over signature of DeForest radio; the other over that of Rogers Majestic. Former is a 27-in. x 22-in. window streamer aimed at popularizing DeForest's battery radio and carrying the head "Enjoy Power Cut-offs." Latter is also a window streamer, 28 in. x 19 in., urging hydro conservation through use of battery radio.

* * *

J. J. Gibbons Ltd. reports client, Underwood Ltd., is advertising its portable typewriter for first time in eight years. Beginning Dec. 4, Christmas campaign will be appearing in daily newspapers across Canada. It foresakes customary Santa Claus illustration for new trade-mark character "Percy, the Portable Man." Smaller teaser-type ads will be run in same issue in various sections—sports, women's, news, etc.—calling attention to the page on which the 400-line copy appears.

* * *

O'Brien Advertising Ltd. (Vancouver) has added following new accounts: Eureka Manufacturing Co., makers of a new line of anti-freeze for distribution throughout B. C.; Hart Bros. Construction Co., building contractors operating in the lower mainland region; International Agencies & Machinery Ltd., distributors of mill and mine machinery and parts; National Dress Co. Ltd., manufacturers of ladies' dresses for retail trade; and Rokorol (Western) Ltd., manufacturers and distributors of nursery equipment and playroom furniture.

* * *

F. H. Hayhurst Co. (Toronto and Montreal) prepared full page ads now introducing Addison FM/AM Automatic Radio Phonograph, Model 50. In daily newspapers across Canada, the ads feature the console combination as "Your First Step Toward Television." Stating that "no set without FM can bring you television," copy urges readers to invest in a radio that will not become obsolete when video arrives. At that time, Addison will offer a matching television unit, and a matching record library will complete the combination.

* * *

Alford R. Poyntz Advertising Ltd. (Toronto) appoints Gordon G. Beedham as personnel and office manager. He joined the Poyntz organization three years ago following five years in the Toronto office of Dunlop Tire & Rubber Co.

* * *

James Fisher Co. appointed to direct advertising for The B.M. Engineering Co., makers of "Ballerina" and "Bandit" watch expansion bracelets. This firm, which is entering the national advertising field for the first time, has head office in Toronto, and plant in Montreal. It has recently undergone expansion, and is expecting to enter allied fields. Thousand-line ad, introducing the "Ballerina" watch expansion bracelet for women, appears in Star Weekly and in Toronto and Montreal dailies. From mid-November to Christmas, flash announcements will be used twice a day over a Toronto radio station. All retail jewelers and the company's wholesalers have been advised of the advertising plans through direct mail and double page two-color trade advertisements. The "Bandit" expansion bracelet for men will be introduced early in 1949.

* * *

Harold F. Stanfield Ltd. (Montreal) appointed, effective Jan. 1, to direct the national advertising of Jenkins Bros. Ltd., of Montreal, oldest exclusive valve manufacturer in the Dominion. Plans for coming year are said to be well under way.

* * *

McKim Advertising Ltd.'s 1948-1949 advertising for the Hovis Bread Division of Purity Flour Mills Ltd. will continue the use of high frequency, small space ads in metropolitan newspapers, stressing the appetizing quality and nutritional value of Hovis.

* * *

J. J. Gibbons Ltd. appointed by The Eze Mfg. Co. Ltd., Toronto, to direct its advertising, commencing in January. Plans are now in the making.

* * *

F. H. Hayhurst Co. (Toronto and Montreal) uses recipes in current advertising for Wagstaffe Ltd., makers of Aylmer jams, jellies, and marmalades. Daily newspapers in major markets from coast to coast carry the ads, illustrated with line drawings of the "finished product" being served in children's lunches, at tea parties, and in other familiar situations.

* * *

J. J. Gibbons Ltd. is this week releasing a Christmas campaign for Waltham watches to a wide list of daily newspapers across Canada. The ads feature, principally, strong name registration, and a slogan "Ask Your Jeweler!"

Orange Crush Now In Black

Both the Canadian and U. S. Orange Crush companies are currently on a profitable basis, The Financial Post understands. This is usually considered an off-season for the soft drink industry and one in which a loss is not unexpected.

For the fiscal year ending Oct. 31, 1948, the U. S. Orange Crush company will show a profit after write-offs, but this will be more than offset by the loss of the Canadian company. The consolidated statement, as a result, will show a net loss, The Post understands.

A favorable factor for Orange Crush Ltd., however, the management feels is the fact that the company is in a sound position from which to progress. Many of the problems facing the new management have now been cleared up. The U. S. company has been on a profitable basis for the past eight months and the Canadian, for the past three months, The Post understands.

The annual report of Orange Crush Ltd. for the fiscal year ending Oct. 31, 1948 is not expected to appear until around the end of January.

As a result of the offering of rights earlier in 1948, Orange Crush Ltd. now has 425,582 no par value common shares outstanding as against 300,000 shares outstanding at Oct. 31, 1947.

Nfl'd Firms Recapitalizing

Special Correspondence

ST. JOHN'S—A flurry of recapitalization by various companies here has become apparent during the past week. Main reason is said to be difference between Newfoundland and Canadian taxation of undistributed profits.

Among the firms concerned are: United Nail & Foundry, Ltd.; Purity Factories, Ltd.; George R. Parsons, Ltd.; Chester Dawe, Ltd., and others.

Recapitalization is being carried out both by issuing bonus stock and by liquidating present companies and forming new ones.

CITY OF ST. HYACINTHE has sold $695,000 of 2¾-3-3¼% serial 20-year bonds to a syndicate composed of Banque Canadienne Nationale, Desjardins, Couture, Inc., Mills, Spence & Co. and Savard Hodgson & Co. at a price of 98.67. Net cost to the corporation will be 3.3271%.

NEW SALMITA MINES has changed its corporate name to Alminster Oils.

ALBANY RIVER GOLD MINES plans to apply to surrender its Ontario charter.

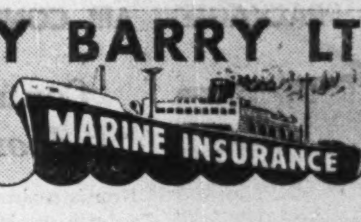
TWO THINGS to Think About...

THERE are two things to think about in considering an investment. One is the security itself—its safety, the income it yields, its marketability. The second is your own position. A man of thirty has not the same investment needs as a man of sixty. A man who holds a large proportion of common stocks is not in the same position as a man who holds bonds.

In other words, it is not sufficient to know that a security is good in itself. It should also be suitable to your particular needs. We are always ready to assist investors in considering such questions and invite inquiries regardless of the amount involved.

DOMINION SECURITIES CORPN. LIMITED
Established 1901
Offices in principal Canadian cities
New York and London, Eng.

HARRY BARRY LTD.
20 TEMPERANCE STREET TORONTO



Control Your Own Insurance

Exporters and Importers should determine exactly that Marine Insurance on their cargoes adequately covers all risks.

CALL OR PHONE
HARRY BARRY LIMITED

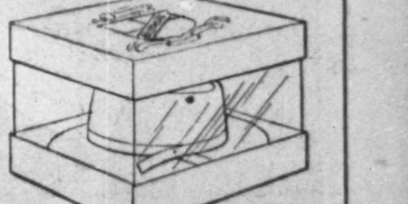
The Crowning Gift...

— and a lasting tribute to your good taste —

Biltmore HAT

in the luxurious *Genuine Velour* or a superb smooth finish

CROWN BEAVER BLEND... $12.50
BEAVER BLEND......... $10.00

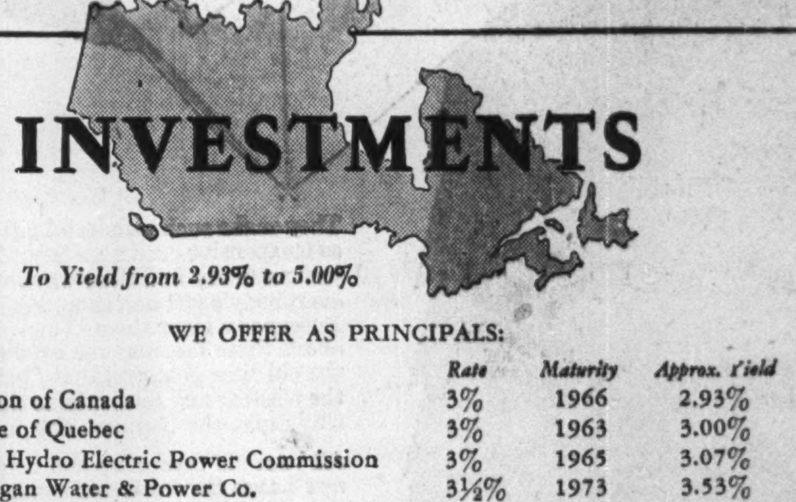


Give him on Christmas morning the new miniature gift hat box. With the GIFT CERTIFICATE he chooses his own Biltmore.

OTHER BILTMORE QUALITIES AVAILABLE $5.00—$40.00

BF-88

CANADA'S LARGEST MANUFACTURER OF FINE FUR FELTS



To Yield from 2.93% to 5.00%

WE OFFER AS PRINCIPALS:

	Rate	*Maturity*	*Approx. Yield*
Dominion of Canada	3%	1966	2.93%
Province of Quebec	3%	1963	3.00%
Ontario Hydro Electric Power Commission	3%	1965	3.07%
Shawinigan Water & Power Co.	3½%	1973	3.53%
British Columbia Electric Co.	3¾%	1968	3.75%
Brompton Pulp & Paper Co.	3½%	1966	3.94%
East Kootenay Power Co.	3¾%	1967	4.14%
Dominion Dairies, Ltd.	4%	1966	4.20%
Columbia Cellulose Co.	4½%	1965	4.25%
Northern Quebec Power Co.	4½%	1967	4.50%
Columbia Cellulose Co.	5%	1968	5.00%

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LIMITED
38 King Street West, Toronto
Telephone HArbour 9221

429A

"a bit of London in Montreal"

GIFTS . . . for particular people

DISTINCTIVE TIES from $2.00 to $5.50

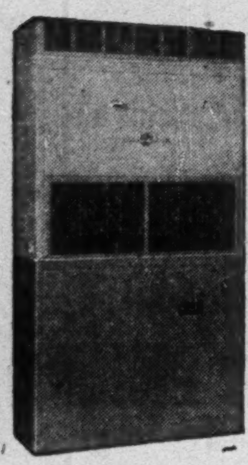
Including an exclusive selection from Wilks & Co., London, England, and many fine Naylor originals in designs unobtainable elsewhere.

DRESSING GOWNS, SMOKING JACKETS
from $18.00 to $25.00

In fine silks, wools, satins

Inspect our complete line of men's furnishings, or if in doubt, give a Naylor Gift Certificate.

Naylor's
Sherbrooke at Peel Street
MONTREAL



In *June* or *January*

CHRYSLER AIRTEMP

"PACKAGED" AIR CONDITIONERS

Control Your *"Indoor Weather"*

Here is modern, easy-to-install, sales-and-efficiency-building air conditioning for winter *or* summer! In winter, just add a heating coil to the Chrysler "Packaged" Air Conditioner and enjoy the comfortably warm, clean filtered air! In the hot weather months, it circulates cool, invigorating air. With Chrysler Airtemp "Packaged" Air Conditioning, you can establish a pleasant, controlled indoor atmosphere for the comfort of your customers and workers . . . *all year 'round!*

Call your Chrysler Airtemp Dealer today!

MADE IN CANADA BY CANADIANS, THUS CONSERVING U. S. DOLLAR EXCHANGE

Automatically Yours — HEATING, AIR CONDITIONING, COMMERCIAL REFRIGERATION

IN CANADA
THERM-O-RITE PRODUCTS LIMITED
Montreal Trust Bldg., Toronto

THE ADVERTISING BUSINESS

By WALLACE GILLESPIE

Do You Make Profit on All Customers? U. S. Survey Tells Distribution Story

You've tracked down production costs with decimal points. Now, how about distribution?

Does your firm know which are its most profitable customers . . . not necessarily the ones which ring up the fattest sales, but those which are making the biggest contribution to the company's net profit? Does it know which are its most profitable channels of distribution, or which of its products earns the most after the company's over-all distribution costs have been correctly assigned to each?

The U. S. Department of Commerce has collected the experience of 26 firms; it is set forth in 150 pages, "How Manufacturers Reduce Their Distribution Costs."

The Commerce Department did not easily find firms which could properly illustrate ways to cut distribution costs.

Specifically, it asked 127 firms to co-operate in the survey. Of these, 82 either admitted failure to reduce marketing costs or said they were "not in a position" to participate. The balance were visited by Commerce men, but 19 had to be rejected on the grounds that they did not measure up to requirements. Those not measuring up were a good cross-section of U. S. industry, including packaged food distributors, pharmaceuticals, household appliances, electrical equipment, and chemicals. This leads the author of the book, Charles H. Sevin of Commerce's marketing division, to the following conclusion:

"The results of the survey show that even in the more efficiently managed companies there was much misdirected marketing effort and, therefore, important opportunities for reducing marketing costs."

Of the 26 firms which were selected, five produced industrial goods only, 14 produced consumer goods only, and seven produced both.

They were examined according to seven types of approaches to the problem: customers, channels, orders, territories, salesmen, products, and physical distribution.

Here are some of the highlights:

Unprofitable Customers—A manufacturer of nationally-advertised consumer goods classified customers on the basis of the amount of their annual purchases. Marketing costs were allocated to each group size. Of the total number of accounts, 41%, bringing in only 7% of sales were found unprofitable, and were gradually dropped. In four years, sales increased 76%, marketing costs were cut in half (from 22.8% to 11.5% of sales) and a net loss of 2.9% of sales was changed to a net profit of 15%.

Another manufacturer changed during the war from a policy of 100% coverage to selective selling. Number of stores contacted by salesmen was reduced one third, and, a year later, the company was operating with half the number of salesmen, yet handling 45% more sales. Since then (1941-45) sales increased 82%, marketing expenses were cut from 31.8% to 18.2%; and operating profits rose from 4.7% to 14.8% of sales.

Channels of Distribution—This company's major channels were route sales, direct shipments, and sales through wholesalers. On one of these, route sales, it made a study of marketing costs in 1945. Breakdown by class of trade and size of customer showed that 87% of route customers were probably handled at a loss. It is planned to extend this study to all channels of distribution and, if the results are the same, to revamp the entire distributing system.

Unprofitable Orders—This company found that most of the orders received from 57.5% of the number of customers, comprising 2.7% of total sales, were unprofitable. This business was dropped, and sales effort concentrated on the remaining profitable volume. Salesmen were thereby relieved of 50% of the calls formerly made. This enabled them to do a better job by increasing their volume of profitable orders, while reducing their travelling expenses.

Another manufacturer made a cost analysis to determine the minimum size of order which could be handled at a profit. More than 50% of all orders received were found to be unprofitable. As a result, the company changed to a plan for selective distribution. Proportion of unprofitable orders has now been cut to less than 10%.

Unprofitable Territories—This manufacturer found a large number of towns and trading areas to be unprofitable. Number of markets covered by salesmen was reduced from 15,000 to 5,800, and effort was shifted to more profitable markets. Average sales per salesman increased 78%, and the ratio of field selling and advertising cost cut by 36%.

Another manufacturer considered big-city business more profitable than small-town business until a cost analysis showed 84% of unprofitable accounts in big cities. Resultant shift in effort cut the distribution cost ratio one-third, while the ratio of net profit to sales doubled.

Allocation of Salesmen—More efficient apportionment of sales effort by territories is cited by this company as one of the factors responsible for a decline of more than 50% in the ratio of variable selling expenses to sales during the four years preceeding the war. Factors taken into consideration in apportioning the selling effort include: regional sales potentials, territorial cost analyses, and actual experiments in changing the number of salesmen, as well as a tendency toward diminishing returns from selling efforts.

Unprofitable products — This company discontinued 18 unprofitable products out of a line of 39 products. Decision was based on a study of actual and potential sales volume and on other related factors. Sales increased 366%, while distribution expenses in 1947 were reduced to 55% of the 1939-41 level.

In another company, a new product was added and promoted vigorously because of its high gross margin rate over factory costs, and because of the theory held by some of the company's sales executives that a new product added to the family of products costs almost nothing to distribute. Analysis showed that the cost of distributing this company's family of products were not true joint costs, even though many of these expenses were incurred in common. Costs were allocated to product lines, and the new product was revealed to be relatively less profitable than others. Effort was shifted, and the result was that total distribution cost per unit of product declined from 65c to 59c whereas net profit rose from 9c to 17c.

Sales territories—This company had previously expanded or contracted individual sales territories with changes in general business conditions. This proved to be wasteful and inefficient. Now, territory outlines are not adjusted unless permanent changes in the territory have taken place. Instead, associate salesmen are added to or removed from territories when conditions warrant, and this has contributed to a reduction in distribution costs.

Another company discovered that—after it had dropped unprofitable towns and customers from salesmen's territories—the basis of organization of salesmen's territories was a serious cause of inefficiency and high costs. After detailed analysis, sales calls were routed and scheduled to reduce costs and to ensure the proper frequency of calls on customers. Within four years, sales increased 76% while the number of salesmen was reduced 20% and travel expense was cut 53%.

Warehousing costs—It cost this company more than twice as much to handle the same kind of merchandise in one company warehouse, as in another. Remedial action brought about net annual savings of $70,000.

While the foregoing makes exciting reading for manufacturers and their advertising agencies, some will point out that these rosy achievements have been made during a period of rising sales volume and prices. Author Sevin takes note of this fact, but concludes that allowances for these extraneous influences "does not detract from the validity of the cases as a whole as examples of the cost of reductions which can be achieved by use of distribution cost analysis."

Public Relations Men Form New Provincial Body

A professional association of public relations men was formed in Toronto this week. "The Public Relations Association of Ontario."

Ninety-one persons who turned out to an organized meeting were drawn from "internal" PR men —those on company payrolls—and "external" PR men — those engaged in counseling work on a client-agency basis.

Ten directors were elected from each group, and these met later to select the following officers:

President: J. W. Lawrence, director of public relations and advertising, The Borden Co.; first vice-president, Gerald M. Brown, president, Gerald M. Brown and Associates Ltd.; second vice-president, Thomas Elliott, director of public relations, General Motors of Canada Ltd.; treasurer, Fred Payne, executive vice-president, Canadian Shoe Retailers' Association, Toronto; secretary, Ben Sugarman, Ben Sugarman & Co.

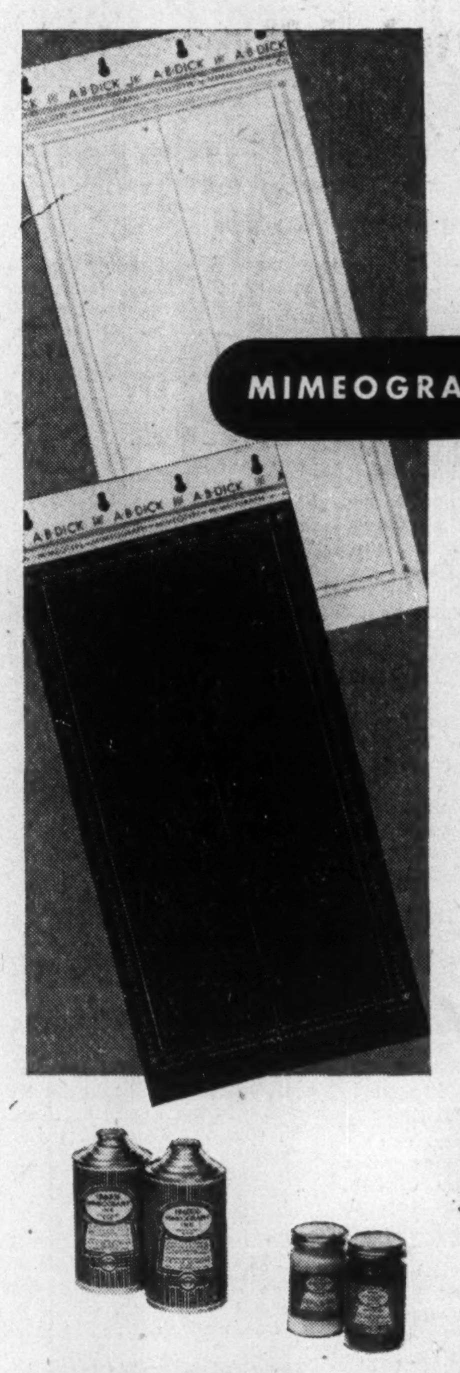
Additional directors drawn from internal PR men are William Gilchrist, director of information, Department of National Health and Welfare; Ottawa; Gordon Garbutt, director of public relations, Ford Motor Co. of Canada; Lee Trenholm, director of public relations and advertising, Provincial Paper Co.; D. O. Durkin, director of public relations and advertising, John Inglis Co.; Tom C. McCall, Ontario Deputy Minister of Travel and Publicity; John Martin, director of public relations, Massey-Harris; Charles Watson, vice-president, Canadian Breweries Ltd.

Additional "external" directors are J. B. Vaughan, manager, Public and Industrial Relations; Henry Janes, president, Public Relations Services Ltd.; K. A. McGillivray, MacLaren Advertising Co.; J. N. Kelly, Cockfield Brown & Co. Ltd.; Frank Flaherty, Ottawa; Jean Love, Ottawa; James Loveys, manager, Carl Byoir and Associates, Hamilton; Harry Savage, Writing Services Ltd.

At a later date, the new organization may seek affiliation with the Public Relations Society of America.

QUEBEC LABRADOR DEVELOPMENT CO. is acquiring a further group of six claims, known as the Nan group, in the Indian Mountain area, north of Great Slave Lake, for $6,250 and 100,000 pooled shares. Terms of the pool are that shares will remain in escrow for one year and thereafter will be released at the rate of 2,000 shares a month. Upon issue of these shares, issued capital will be 2,666,671 shares.

BORDULAC MINES advises that an additional 7,500 shares were sold on the open market for $1,592. Issued capital is 2,029,570 shares.



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See your Mimeograph Company, Ltd. distributor for these and all related supplies. For use with all makes of suitable stencil duplicating products. He can also keep you posted on the many new A. B. Dick mimeograph supplies and accessories on the way.

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THE MIMEOGRAPH COMPANY, LTD., • 189 JOHN ST., TORONTO

*Registered Trade-Mark

Everybody's giving them!

They make such wonderful gift parcels . . . so inexpensive . . . Laura Secord Candies just naturally find their way into everybody's gift and shopping list! Everybody loves them. There's something about these famous, fine candies with the old-time goodness that "belongs" with the feasting and celebrations that make Christmas the happiest day in the year.

All your old favourites and many delicious *new* Laura Secord treats await your choosing now . . . delivered fresh every day from the studios to your neighbourhood Laura Secord Candy Shop.

We will be glad to pack and mail your Christmas box of Laura Secord Candies to any address. Just ask the saleslady.

Laura Secord
CANDY SHOPS

Largest CANADIAN BUILT OIL TANKER
ON THE GREAT LAKES

"Imperial Sarnia," Imperial Oil Company's great new tanker, is powered by a 2900 s.h.p. Inglis geared turbine (Parsons design). In addition to the main propulsion machinery, Inglis supplied the following Worthington pumps: — boiler feed, fuel oil transfer, main condensate, main circulating, main ejector, auxiliary condenser circulating, lubricating oil, ballast, bilge, general service, fire and ballast, forward bilge and ballast, main cargo and cargo stripping. Inglis offers one overall Canadian source of supply for propulsion equipment and auxiliaries for naval or merchant ships of every kind.

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Inglis
CANADA

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GENERAL ENGINEERING DIVISION
DISTRICT OFFICES: MONTREAL • WINNIPEG • CALGARY • VANCOUVER

LIKE WALKING ON AIR

the sock
with
the original
cushion sole

Give your feet a treat!

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HEALTH SOCK
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The special patented all-wool cushion inner soles knit right in, absorb all foot strains and jars! Ask for them, by name, at your favourite hosiery counter.

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QUALITY SOCKS FOR MEN

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Just as essential in handling Real Property as in Industry, Commerce or any other enterprise. Send for Booklet explaining our Property Management facilities.

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

No Cabinet Rift: As by-election campaigns ended at the Rossland-Trail and South Okanagan polls this week, Premier Byron Johnson emphatically denied any rifts in the Coalition Government of which he had taken over leadership last December: "We are committed to coalition government, and we are going to carry out a good government . . . and we are getting co-operation from the Progressive Conservatives." But if there were no rifts in the Government, there admittedly were in party ranks.

Modify Sales Tax?: Johnson also hinted at possible revision of the unpopular 3% sales tax. He insisted the only alternative to the levy, would have been a cut in old age pensions and other social security: "I'm not stating we shouldn't find some other way . . but until we do, the tax will have to stay." Meanwhile, government circles were silent on the revenue the sales tax was yielding; explained that retail sales fluctuated widely from month to month; and said that even a six-month figure, which might be compiled at the end of December, wouldn't necessarily give an accurate basis for a full year's estimate.

* * *

Alberta

Manning Upheld: Premier E. C. Manning scored a sweeping victory in his showdown with critics of his administration (The Financial Post, March 6, Nov. 20) at the Social Credit League convention in Edmonton. The League upheld the exclusion of three members of the Douglas Social Credit Council, who had accused the Government of abandoning the Social Credit principles, and of setting up "a cabinet-dominated political party." The League further called for action "to protect our organization against undesirable membership," and urged, as a loyalty test, that all members be required to endorse the 10-point program on which the Manning administration had been re-elected in August. Said Premier Manning: "If you welcome these (insurgents) into your organization, you lose your organization."

Yeah, Calgary!!!: Calgary was not only back on the TCA map (The Financial Post, July 24); it also dominated the Canadian football map this week. The Stampeders, escorted by some 300 uproarious fans, returned westward from Toronto, bearing the Grey Cup, symbolic of the Dominion championship. The western team defeated Ottawa Roughriders 12-7 before a capacity 20,000 throng in Toronto at the week end.

Operation 'Fish': A miniature army of fishermen, aircraft, snowmobiles and dog teams swung into action this week as the winter fishing season opened (Dec. 1) on Great Slave Lake, fifth largest lake in North America. Probably 1,500 men—fishermen, shore and transportation workers—would be involved in the operation, officials said. The winter catch quota is one million pounds of whitefish and lake trout, plus about half that quantity carried over from the summer season; most of the take to be shipped fresh to markets in Canada, and in New York, Chicago and Detroit.

* * *

Saskatchewan

Still 'Protect' Farmers: The Socialist Government "deeply regretted" invalidation of part of its Farm Security Act, by the Judicial Committee of the British Privy Council; but rejoiced that some of the measure could still be salvaged. The clause aiming to make mortgage holders share farmers' drought losses, had been ruled ultra vires; but Premier T. C. Douglas stressed that other features of the law, including "the security of tenure which the farmer is guaranteed on his home quarter section," were not affected; pledged that "no stone will be left unturned to provide adequate protection, and to see that farmers are not victimized in times of crop failure."

"All-Out" PC Fight: Progressive Conservatives of the province are determined to fight their own battle in the next federal election, Alvin Hamilton, organizer and interim leader, announced. Instead of arranging saw-offs with Liberals, in an effort to defeat CCF candidates, as in last June's provincial election, they will nominate candidates "as soon as possible," in all 20 constituencies. Earlier, there had been rumors that the PC's might offer not to contest Qu'Appelle (now held by CCF-er Mrs. Gladys Strum) if Liberals did not oppose J. G. Diefenbaker in Lake Centre. Organizer Hamilton was already a candidate in Rosetown-Biggar, to oppose M. J. Coldwell, national CCF chieftain.

Curb Drug Use: Effective this week, old age and blind pensioners, and recipients of mothers' allowances, will be required to pay 20% of the cost of all drugs they received (hitherto supplied free). The move, Premier T. C. Douglas explained, "will deter many cases of apparently unwarranted drug consumption." Since 1945, he stated, cost of supplying free drugs to social aid classes had risen from $51,000 a year to an estimated $165,000—despite an increase of only 9% in number of beneficiaries, who now number 27,362.

* * *

Manitoba

Record Highway Year: Despite the handicap of spring floods, the province shattered all highway construction records this year — a $6,450,000 program, nearly 50% above past years, Public Works Minister Errick Willis reported. The budget included: $2,230,000 for "international connections," which include the Winnipeg-Emerson highway; $2,250,000 for other provincial trunk highways; $1 million for mining roads; $700,000 for the Trans-Canada Highway; $270,000 for tourist roads. The program covered 362.4 miles of grading, 221.6 miles of gravel surface, 39.4 miles of blacktop, and 11.1 miles of concrete.

Bootleg Venison: Meat was making news throughout the province, this week. North of Winnipeg, Royal Canadian Mounted Police and game wardens were warring on an extensive black market in deer carcasses. In Winnipeg, a bylaw to regulate sale of horsemeat for human consumption, was being drafted. St. Boniface had already legalized sale of horsemeat, stipulating only that it must be clearly labeled as such. And at Churchill, Canada's first whalemeat (for animal consumption) factory was to start in operation next spring.

Churchill Season Good: Churchill looked back on a "satisfactory" shipping season, but was already setting its sights on higher targets for 1949. This year 35 ships, 15 of them ocean-going, had docked at the Hudson Bay port; had brought cargoes including tractors, Diesel-operated generators, automobiles, liquor, china and glassware; had loaded 5,315,342 bushels of wheat, leaving less than 100,000 bushels in elevators. Present facilities, Port Manager W. N. Twolan reported, appear capable of considerable expansion for both incoming and outgoing trade. New living quarters for harbor employees are under construction and expected to be ready for occupancy next season.

* * *

Ontario

Arbitrate on Milk: Arbitration on milk prices for the Toronto area (The Financial Post, Nov. 20) marked time early this week, in a last-minute effort to reach an agreement. When producers' and distributors' representatives failed to agree on a chairman, the Milk Control Board named Judge J. B. Moon of Parry Sound to preside over arbitration proceedings, if these became necessary. In the Hamilton area, producers and distributors were still negotiating, with hope held out for an agreement. For other areas, Judge D. J. Cowan of Brantford, was named chairman of an arbitration board. Main point in dispute was the producers' demand that they paid the same rate for secondary milk (i.e., milk for processing purposes) as for fluid milk.

Millions for Hospitals: In less than two years, the province has paid out $1,181,508 toward hospital construction, and has committed itself to payment totaling an additional $3,308,245 (on a basis of $1,000 per bed to general hospitals; $1,500 to hospitals for chronic cases, and $2,500 to sanatoria), Health Minister Russell T. Kelley disclosed. The province at present is paying more than 80% of costs of sanatoria—approximately $2 millions yearly, but more than $3 millions in the last year, to make up deficits. To an initial grant of $500,000 to the Cancer Foundation, the government has now added annual maintenance grants of $112,000, and plans further expansion of research.

Field Crop Record: Field crops this year netted farmers of the province a record $374,338,600, up more than $96 millions from 1947. Total grain production was estimated at 180,630,000 bushels, against 106 millions in 1947 and an average of 156 millions for the preceding 10 years. Potatoes, at 20,409,000 bushels, set a 24-year record; and tobacco output of 110 million lb. was second highest on record. Ensilage corn, at 3,996,000 tons, was up more than 100 million tons from 1947. Clover, at 5,750,000 tons, was down slightly, but the alfalfa yield was substantially higher.

* * *

Quebec

Municipalities 'Getting Share'?: Municipalities of the province got little encouragement from Premier Maurice Duplessis, in their plea for a share of provincial revenues from gasoline tax, motor licenses and other sources. Reiterating the stand of two previous administrations (Godbout and Taschereau), M. Duplessis insisted that municipalities were "getting their full share" through provincial public services, and through subsidies to municipal, educational and charitable institutions. Commented one delegate of the Union of Municipalities: "We should have made our request just before last summer's election; at least, we'd have got a more noncommittal refusal then."

Curtail Arbitration?: M. Duplessis was noncommittal also on details of the province's pending Labor Code. When urged by municipalities not to wipe out the principle of arbitration in disputes involving civic employees, the Premier replied: "It is not only the rights of employers and employees which must be protected; we must safeguard also the rights of the public." Quebec City council had already specifically petitioned the province, asking for continuance of arbitration; for outlawing of strikes by municipal employees, and for abolition of the right of municipal employees to affiliate with any outside unions or syndicates.

Coaticook Still 'Fast': Coaticook, Stanstead county town of 4,500, this week was the only daylight saving island in a coast-to-coast ocean of standard time. Sherbrooke and Lennoxville, which had put their clocks ahead in October, in order to conserve power, last week end put them back again, after heavy rains filled hydro reservoirs. Coaticook, which had clung to daylight saving time since April, decided to continue it throughout the winter.

* * *

New Brunswick

Lobstering Lags: Lobster fishing along the coast of Saint John and Charlotte counties was sluggish in the first two weeks of the season (which opened Nov. 15); but fishermen weren't downhearted. They looked forward to a better catch later, provided the weather continued reasonably calm; and, they stressed, too large a harvest frequently depressed prices. Scallop fishing was also under way off Charlotte county; but a similar venture in Northumberland Strait was postponed until next summer, due to adverse weather. Charlotte county reported clams in "fair quantity," and in great demand in the U.S. market.

Streamline Statutes: Statutes of the province were to be revised and consolidated, for the first time in 21 years. Work of redrafting particular statutes will be left in the hands of the Attorney-General's department, Premier J. B. McNair announced; but the general task of producing "an up-to-date version of the statute law" was placed in the hands of Horace A. Porter, K.C., Saint John barrister.

* * *

Nova Scotia

New Power Problem: This province was the latest to feel a power shortage pinch; but unlike Ontario and Quebec, the cause was purely mechanical. A leak in a pressure steam boiler at the Nova Scotia Light and Power Co.'s Halifax plant, forced cuts affecting 200,000 persons in Halifax city and county, Dartmouth and the Annapolis Valley, pending repairs. The breakdown, coming at the peak of the year's power demand, forced curtailment of streetcar services, and brought appeals to domestic and industrial consumers to conserve current. The company voiced hope that switch-pulling would not become necessary.

G. T. BERTHON

manager of the Toronto office of Young & Rubicam, Ltd., has been appointed vice-president of the company.

Apples Looking Up: A new market was developing for Annapolis Valley apple growers, with closing of a contract for export of 50,000 boxes of Kings to a New York firm manufacturing baby foods, and with prospects that the same firm might be interested in Nova Scotia pears. Simultaneously, Agriculture Minister A. W. Mackenzie, answering criticisms that Valley apples were of inferior quality, stated that a probe had revealed three factors:

1. Poor handling in transit.
2. Improper storage facilities here.
3. Increased trade in "bootleg" apples, which, unable to pass federal inspection, are smuggled to retailers at cut prices.

Mackenzie said one wholesaler had reported improvement in quality after shipping fruit by truck instead of by rail. Lifetime of apples, he stated, was cut by a 20-degree difference in temperature between Valley and Halifax storage plants.

* * *

Prince Edward Is.

Liquor Sales Down: Seven-month figures bore out Premier J. Walter Jones' prediction that government control would cut liquor consumption. Sales for April-October inclusive, under the new system, showed a noticeable drop from the same 1947 period, when liquor was obtainable only on a physician's prescription (good for six months). This, too, in spite of the fact that liquor stores are now open until 9 p.m. Saturdays, "to take the business away from the bootleggers."

Farmers Fly to Fair: The Island Government made history when it chartered a 26-passenger plane to fly farmers, and their wives, to the Royal Winter Fair, in Toronto. Passengers, including the province's No. 1 farmer, Premier J. Walter Jones, pooled the cost of the 36-hour trip; Premier Jones voiced hope that it might result in greater interest in high-bred stock here.

New Coaling Hub? Placid Georgetown (population 769 in the 1941 census) foresaw a new role for itself, as an important coaling centre, if a proposition now simmering in Ottawa and Charlottetown crystalized. The proposal: A coal mine at Mabou, N.S., would load scows with coal by conveyor belt for shipment to Georgetown, to be graded as required, or processed into briquets; all expenses of establishing the plant, except for a small amount of dredging, to be borne by the mining company.

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New Issue

$45,000,000

The Hydro-Electric Power Commission
of Ontario

Guaranteed as to principal and interest by the

Province of Ontario

3% Bonds

To be dated December 15, 1948 To mature December 15, 1965

Principal and half-yearly interest (June 15 and December 15) payable in lawful money of Canada in Toronto, Montreal, Ottawa, Winnipeg, Vancouver, Halifax and Saint John at the holder's option. Callable in whole or in part on or after December 15, 1963, on any interest date at 100 and accrued interest, on thirty days' prior notice.

Legal opinion of Messrs. Daly, Thistle, Judson & McTaggart.

Coupon bonds in denominations of $1,000 and $500 with provision for registration as to principal.

The above bonds are direct obligations of The Hydro-Electric Power Commission of Ontario and will be unconditionally guaranteed as to principal and interest by the Province of Ontario, the guarantee being endorsed on each bond. The proceeds of the bonds will be used to meet in part the cost of acquisition of property and the construction of works which have been duly authorized to be acquired and constructed by the Commission, and to repay any temporary borrowing of the Commission for such purposes.

PRICE: 99 and accrued interest to yield 3.08%

As principals, we offer these bonds when, as and if issued and accepted by us, and subject to approval of Counsel.

It is expected that interim bonds will be ready for delivery on or about December 15, 1948.

A circular describing this issue will be sent upon request.

McLeod, Young, Weir & Company Limited
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Mills, Spence & Co., Limited
Royal Securities Corporation Limited
McTaggart, Hannaford, Birks & Gordon Limited
Harrison & Company Limited
Matthews & Company
R. A. Daly Co. Limited
W. C. Pitfield & Company Limited
W. C. Harris & Co. Limited
Fairclough & Company Limited
Bankers Bond Corporation Limited
Brawley, Cathers & Co.
Charles H. Burgess & Company

Wood, Gundy & Company Limited
A. E. Ames & Co. Limited
Dominion Securities Corpn. Limited
Midland Securities Limited
Cochran, Murray & Co. Limited
Fry & Company
Collier, Norris & Quinlan Limited
Gairdner & Company Limited
Burns Bros. & Denton Limited
James Richardson & Sons
Anderson & Company
Bartlett, Cayley & Company Limited
J. L. Graham & Company Limited
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A. M. Ramsay & Co.

The information contained in this advertisement is based upon statements on which we have relied. We do not guarantee but believe the statements herein to be true.

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NORTH WEST TERRITORY
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UPPER CANADA
LOWER CANADA

The year was 1866...

: : : the leaders in Canada's confederation movement met in London and argued a knotty problem: *what to name the new nation.* "Colony" fell far short of suiting the temper of Canadian thinking. It is recorded that Sir Leonard Tilley of New Brunswick finally pointed out the aptness of the biblical quotation:

"He shall have dominion also from sea to sea."

There is a lesson for every Canadian in this story from the past. By the very origin of the name, "Dominion" can never mean "domination." "Domination" would never be accepted by Canadians. But the Dominion of Canada is the Dominion of a free people : : : men and women who are privileged to express their will through the ballot box.

When YOU cast your secret ballot at every election—municipal, provincial, federal—you exercise a duty and privilege planned, worked, and fought for by your forefathers. Your vote protects the future of your children. To fail in this duty is to be less than a good citizen.

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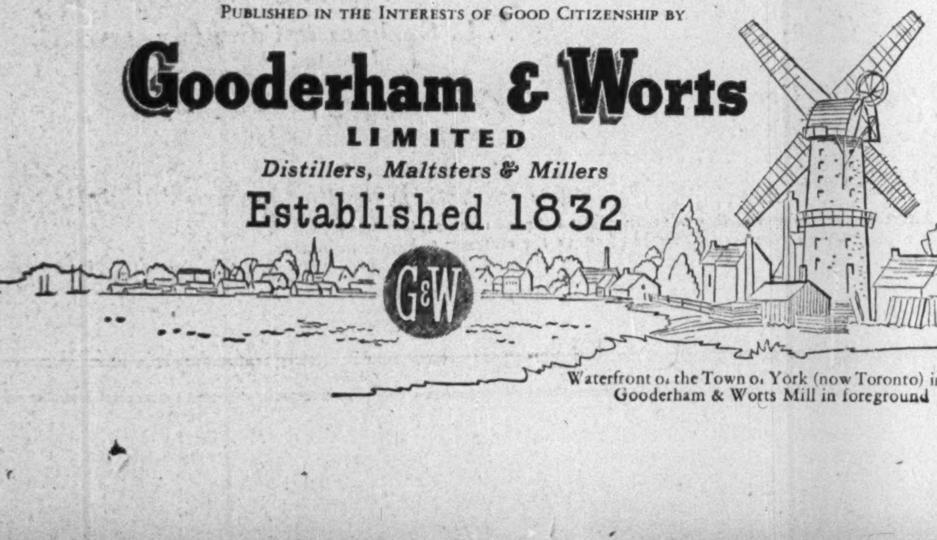
Goodderham & Worts
LIMITED
Distillers, Maltsters & Millers
Established 1832



Waterfront of the Town of York (now Toronto) in 1832
Goodderham & Worts Mill in foreground

OIL PRODUCTION

Alberta's Oil Output Hits Another Record

From Our Own Correspondent

CALGARY — Surpassing the previous week's Alberta record oil production of 39,572 bbls. daily by 90 bbls. per day, the week ending Nov. 22 rang up a yield of 39,762 bbls. daily. According to figures compiled by the Alberta Conservation Board, 615 wells were responsible for Alberta's production during the week.

The Leduc-Woodbend area accounted for 21,896 bbls. daily from 150 wells, an increase of 369 bbls. per day over the previous week's average. Turner Valley delivered 12,204 bbls. daily from 280 wells, plus 1,083 bbls. daily estimated natural gasoline yield. Alberta's side of the Lloydminster oilfield has an estimated daily average production figure of 2,072 bbls. from 82 wells, while other fields are estimated at 2,072 bbls. daily.

Production from Imperial's Redwater No. 1 Discovery well has not been included in the above figures. The Discovery well is currently producing between 425 and 450 bbls. daily, depending on the availability of tank cars.

* * *

New Gas Well

The Pacific Sunray well, located near Halfway Lake about 18 miles northwest of Imperial's Redwater Discovery well, was this week determined as a gas discovery well in the Lower Cretaceous. During drillstem test run in the Lower Cretaceous horizon, there was a maximum natural gas flow rate yielding three million cu. ft. daily through a half-inch choke. No oil or water showed. The well is now coring below 3,012 ft.; looking for its main objective the Devonian.

Imperial Oil has obtained a highly promising show of oil in the D2 zone of Devonian at its No. 11 well in the Woodbend oilfield. The well, located about half mile from the company's No. 4, D3 zone producer, ran drillstem test of the D2 zone and obtained a flow of oil to the surface in 18 min., with a maximum natural gas flow rate of 700,000 cu. ft. daily. The D2 zone test at Imperial's No. 11 well is the best yet attained from this horizon in the Woodbend field. It is understood that the company will continue drilling to its original objective the D3 zone.

* * *

A prominent explorer for oil and gas in the southern Alberta Plains, California Standard Co. has staked location for another tentative gas well in the Dunmore area this week. The new start is located about six miles southwest of a recent successful gaswell and will drill to a depth of around 3,300 ft. in search of gas production in the Ellis sand. Operations will start as soon as rig becomes available.

* * *

Sights on Production

The independent companies who paid a total of $1,037,000 for four quarter sections of Crown reserve rights at Redwater on Nov. 10 hope to have the first production pouring into tanks by year's end. Three drilling rigs are being moved in, and at least two locations will have drilling under way in the coming week. First completions are expected in December.

The team, Anglo Canadian Oil Co. and Home Oil Co. are putting two rigs to work immediately. Rigging up is near completion, with spudding expected at the first start around mid-week and the other near latter part of the week. The two wells are located about two miles due west of Imperial-Redwater No. 1 Discovery, two miles south and east of the Imperial-Redwater No. 4 success.

* * *

Hanna Petroleums No. 3, scene of a tragic fire last Friday while the crew was pulling drillpipe after a critical drillstem test in the Basal Lower Cretaceous, got balance of the pipe out of the hole. The pipe content was 240 ft. of crude oil with an indicated gravity of about 36 degrees, plus eight feet of salt water. The well is located about a mile southwest of Hanna town, and around 90 miles northeast of Calgary.

The well bottomed at 3,714 ft. is coring on another two ft. before running a further drillstem test. The coming re-test should help to determine possibilities at the Hanna well.

Ind. Acceptance Share Distribution

There were 695 shareholders of common stock of Industrial Acceptance Corp. at Sept. 27, 1948, and 358 holders of its 4¼% preferred, and 263 holders of its 5% preferred as of Aug. 17, 1948.

This is shown by the listing statement of the Toronto Stock Exchange which shows the distribution on those dates as follows:

COMMON STOCK

No. of Holders	Holdings	Total Shares
426	1- 100	21,229
128	101- 200	21,142
44	201- 300	11,513
32	301- 400	12,181
7	401- 500	3,310
23	501-1000	16,592
35	1001-up	137,261
695	Total	223,228
		36,772*
		260,000

*Represents the number of shares remaining to be issued to holder of 18,386 class "A" shares on a basis of 2 common shares for each class "A" share.

4¼% PREFERRED STOCK

No. of Holders	Holdings	Total Shares
333	1- 100	7,782
9	101- 200	1,350
12	201-300	3,043
2	301- 400	770
0	401- 500	....
1	501-1000	750
1	1001-up	1,305
358	Total	15,000

5% PREFERRED

No. of Holders	Holdings	Total Shares
246	1- 100	6,003
10	101- 200	1,617
3	201- 300	850
0	301- 400	....
2	401- 500	915
0	501-1000	.....
2	1001-up	5,615
263	Total	15,000

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL MILLING CO. net profit dropped $1,384,942 to $4,696,906 in year ended Aug. 31. Basis for computing the reserve for possible price declines of packages was changed during the year, with the result that 1947-48 net profit was $400,000 greater than it would have been on the basis formerly in effect.

Working capital dropped $2,353,922 to $23,504,549 as at Aug. 31.

CONSOL. INCOME ACCOUNT

Years Ended Aug. 31:	1948	1947
Net profit	†$4,696,906	$6,081,848
Less dividends:		
Subs. 2nd pf.	....	1,488,876
4% pref.	192,779	192,404
Common	1,184,103	......
Surplus for year	3,320,024	4,400,568

†Net profit for 1948 was approx. $400,000 greater, due to a change during the year in basis of computing inventory reserve.

Earnings per Share‡ and Dividend Record:

	1948	1947
4% Pref.	$92.42	$117.30
Paid	4.00	4.00
Common	16.79	21.96
Paid	4.50	....

‡Based on shares outstanding; before deducting sub. divds. in 1947. After deducting sub. divds. 4% pref. earned $88.59 and common $16.40 per sh.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1948	1947
Cash & govt. bonds ..	$4,904,872	$8,661,283
U. S. ref. EPT	350,634	338,000
Accts., etc., rec.	14,559,331	13,107,171
Inventories	31,543,575	20,372,363
Total curr. assets ..	51,358,412	42,478,817
Prep. exp.§	579,046	453,792
Invest. Can. sub.*	1,867,485	1,343,356
Misc. assets¶	874,303	441,108
Fixed assets†	14,499,597	11,024,683
Total assets	69,178,843	55,741,756
Notes payable	16,696,213	7,286,195
Accts. & tax. pay. ...	11,096,049	9,283,092
Other curr. liab.	61,601	51,059
Total curr. liab.	27,853,863	16,620,346
Funded debt	8,000,000	8,000,000
Cont. & other res. ...	965,100	1,351,900
Min. int. in sub.	6,254	......
Subsid. 2nd pf. stk. ..	2,548	2,640
Capital stock	7,322,100	7,424,700
Surplus‡	25,028,978	22,342,170
†After depr.	11,443,600	9,330,718

*Not consolidated. ¶Including refund. EPT of $54,064 in 1948, $54,591 in 1947, (Candn. only. U. S. shown in curr. assets). ‡After deducting $1,281,067 in 1948, $641,035 in 1947, cost of stock held in treasury. §Incl. in curr. assets in co's report.

Working capital	23,504,549	25,858,471

TOWN OF PARRY SOUND, Ont., has sold a new issue of $200,000 3½% serial debentures due Dec. 15, 1948 to 1968 by tender to Wood Gundy Co. and the Bank of Nova Scotia. Price was $99.58 or a cost to the town of about 3.56%. The 1949 to 1958 maturities are being offered to yield 3.15% and the 1959 to 1968 maturities at a price to yield 3.55%. Proceeds are to provide part of the funds for a high-school.

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Estate administration is a full-time job. It requires experience and special training. To make *sure* of your family's continued security, name National Trust as Executor in your Will. National Trust, backed by knowledge gained through fifty years' experience, will manage your estate with utmost efficiency and economy.

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Write For This Booklet
It explains the duties and requirements of an Executor and contains interesting and highly valuable information for you whether your estate is small or large.

NT-28A

Tip Top Tailors Work at Capacity

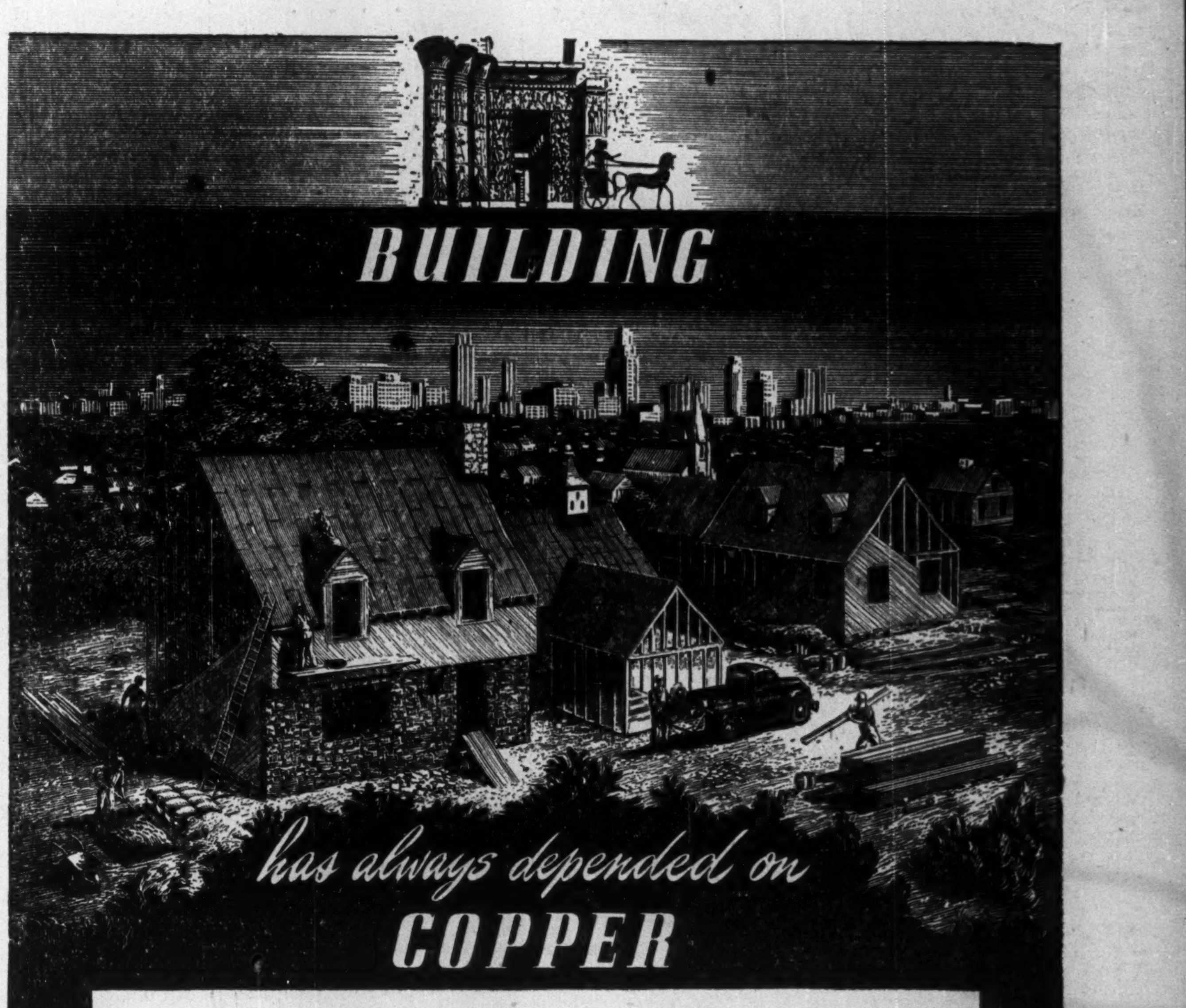
Operations of Tip Top Tailors, Ltd. in the current year are "quite satisfactory" and results are likely to be on a par with last year, a company official states. Unit sales are running at about the same level as in the corresponding period of 1947 but dollar value of business is higher. This, however, is said pretty well offset by increased operating costs.

Demand for clothing continues strong and the plant is operating at capacity. An improvement of approximately two weeks has been made on delivery dates of men's suits. Materials are generally in better supply but prices continue high and deliveries slow. Cloth from England, while in improved supply, is on a nine-month delivery schedule. The labor situation has improved, with DP help, and the training program for personnel assisting greatly in raising production and lowering time of delivery on orders.

Net profit for 1947 was $327,890—or $2.73 a share. The company's common stock has been placed on an annual 60c a share dividend basis, with payment of 15c on Jan. 3, 1949.

MANITOBA BASIN CONSOLIDATED MINES has called a general meeting of shareholders at the King Edward Hotel, Toronto, Dec. 7 to consider, and if deemed advisable, to ratify, the following:

1. Agreement dated Nov. 18, 1948, between the company and Sherritt Gordon Mines.
2. Payment to President Charles E. Dickenson of $5,000 for services rendered to the company from August, 1946, to December, 1948, by issuance of 100,000 shares at 5 cents per share.
3. Payment to E. E. Ott & Co. $1,500 for accounting and secretarial service since 1946 to date by issuance of 30,000 shares at 5 cents per share.



Since the Egyptians used bronze doors in building the temple of Karnak, copper has been widely used in all types of construction ... from the modest home to the modern skyscraper.

It is first choice for metal exposed to the elements—such as roofs, flashings, eavestroughs, downspouts. The best hardware is made of solid brass ... while architectural bronze has always been a favourite metal for artistic expression. The reasons are easy to understand: copper and its alloys cannot rust, are easy to fabricate and can be depended on for many years of economical service.

Copper and brass also serve modern plumbing in many ways ... they are the standard metals for hot and cold water lines, fittings and fixtures. Copper wiring delivers light and power ... and just as copper lightning rods protect your home, bronze wire screening protects your health.

Anaconda is an important supplier of copper and copper alloys so essential to long-lasting construction in Canada.

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Main Office and Plant: New Toronto, Ont.
Montreal Office: 939 Dominion Square Bldg.
SINCE 1922 HEADQUARTERS IN CANADA FOR COPPER AND BRASS

How Bonds Are Doing on the Market

New Money Financing Marks First 10 Months of 1948

By JAMES H. JOYCE

Representative Bond Quotations

Company	%	Due	Nov. 20, 1948 Quote $	Nov. 20, 1948 Yield %	June 30, 1948 Quote $	June 30, 1948 Yield %	Jan. 2, 1948 Quote $	Jan. 2, 1948 Yield %	June 30, 1947 Quote $	June 30, 1947 Yield %	Jan. 2, 1947 Quote $	Jan. 2, 1947 Yield %
Abitibi Power	3½	1967	97 - 99	3.57	97½- 99½	3.53	98 -100	3.50	100 -102	3.36		
B. C. Electric	3¼	1967	91½- 93½	3.74	93 - 95	3.62	96½- 98½	3.36	101½-103½	3.01	101 -103	3.05
Brown Co. ...	5	1959	104 -106	flat	102 -104	flat	103 -105	flat	101 -103	flat	100 -102	flat
Burns & Co.	4	1963	96½- 97½	4.23	98½-100½	3.93	99 -101	3.93	99 -101	3.92	100 -102	3.83
Can. S.S. Lines	3½	1957	100 -102	3.22	100½-102½	3.24	100 -102	3.25	102 -104	3.02	102 -104	3.04
Can. Pac. Ry.	3½	1951	102 -104	2.07	102 -104	2.07	105½-107½	1.08	105 -106½	1.62	104 -105	2.23
Dom. Tar	3½	1957	100 -102	3.25	100 -102	3.25	102 -104	3.02	103 -105	2.95	103 -105	2.95
E. B. Eddy Co.	3½	1966	96½- 98½	3.61	95½- 97½	3.69	99 -101	3.42	102½-104	3.22	102½-104½	3.18
Federal Grain	4	1964	97½- 99½	4.04	98 -100	4.00	100 -102	3.83	102 -104	3.68	102 -104	3.68
Gatineau "C"	3	1970	94 - 96	3.26	97 - 99	3.06	93½- 95½	3.28	103 -105	2.71	104 -106	2.65
Imperial Tob.	2⅞	1966	95 - 97	3.10	96 - 98	3.02	99 -101	2.80	100½-102½	2.71	100 -102	2.72
L. St. John P.	5	1961	100½-102½	4.74	101½-100½	4.65	101 -103	4.70	101½-103	4.70	101½-103½	4.67
Massey-Har. A	3	1966	92 - 94	3.45	93½- 95½	3.33	94 - 96	3.28	99 -101	2.93	99 -101	2.93
McCormicks,	4	1952	100 -102	3.45	100½-102½	3.34	100 -102	3.52	101 -103	3.34	101 -103	3.40
Monarch Knit.	4	1966	99½-101½	3.87	100 -102	3.84	101 -103	3.77	101½-103½	3.74	101½-103½	3.75
Montreal Tram	5	1955	98 -100	5.00	99½-100½	4.74	100 -102	4.67	100 -102	4.67	100 -102	4.72
N. S. Steel & C.	3½	1963	96½- 98½	3.63	96 - 98	3.67	95 - 97	3.77	97 - 99	3.58	99 -101	3.42
Price Bros.	3¼	1966	98½-100½	3.21	99½-101½	3.14	100 -102	3.10	102½-104½	2.94	102½-104½	2.94
Quebec Pwr.	3	1962	96 - 98	3.18	97 - 99	3.08	97 - 99	3.09	101 -103	2.76	101 -101½	2.88
Shawinigan	3½	1970	97½- 99½	3.53	100 -102	3.37	101½-103½	3.27	103 -105	3.19	102½-104½	3.08
Simpsons	3½	1960	101½-103½	3.14	101 -103	3.20	102 -104	3.11	103 -105	3.05	102 -104	3.13
St. Maurice P.	3¼	1970	96 - 98	3.38	96 - 98	3.37	97 - 99	3.32	101½-103½	3.04	100½-102½	3.10
United Fuel	4	1959	101 -103	3.67	101 -103	3.67	101½-103½	3.64	102 -104	3.60	102 -104	3.62
Union Gas	4½	1950	100½-102½	3.46	100½-102½	3.46	100 -102	3.82	101 -103	3.56	101 -103	3.68
Winnipeg Elec.	3¾	1971	101½-103½	3.53	101½-103½	3.53	102 -104	3.50	102 -104	3.50	102½-104½	3.48

Note: Yields are calculated to maturity although bonds may be callable prior to that date and are based on asked prices. Quotations, courtesy of A. E. Ames & Co.

Although the market for Canadian corporation bonds has shown traces of easiness over the past few months, there has been no big general drop in prices and yields are only slightly greater on the average than at the end of June.

There is not much activity in the Canadian corporation bond market currently, according to investment dealers. However, investors have had only about 12% less volume of new corporate bond financing to consider in the first 10 months of this year, compared with the 1947 period. Most of this has been new money financing, only a small part refunding.

Not much new corporate bond financing is in sight at present, according to investment dealers. Many, however, admit they are working on issues, but most report that these issues are far from being signed up. Any improvement in the stock market, and so in investors' sentiment, would bring some of these issues to the market soon after that occurred, it is felt.

That there has been no general drop in prices of Canadian corporation bonds is shown in the accompanying table in which The Financial Post presents the price record of 25 Canadian corporation bonds since the beginning of 1947. Fifteen of these issues show a drop in price since June 30, 1948. Six show the same bid price while four have a higher bid price than at June 30.

How Yield Has Moved

For the 25 corporate bonds in the table, the average yield has only moved from a 3.49% basis on June 30 to a 3.56% basis on Nov. 20, a very slight change. At the beginning of 1948 the yield on these issues averaged 3.42% so that there has only been a 4.1% increase in return obtainable from corporation bonds this year on the average.

The change in prices on these issues has also been small, as would be expected from the slight change in yield. The total of the bid prices for the 25 issues was $2,453 on Nov. 20 as compared with $2,467.50 on June 30 and with $2,487.50 on Jan. 2, 1948.

The table includes bonds of nine public utility companies, 14 industrial firms and two transportation companies. Six of the public utility companies show lower bid prices than at June 30 while the other three are the same. Of the industrials, nine have lower bid prices, than at June 30, one the same, while four have higher bid prices.

Volume of New Financing

Investors have had about 11.9% less volume of new corporate bond financing to consider this year to date than in the comparable 1947 period, but about 49.5% less than in the comparable 1946 period when the volume of refunding was large. The volume of Canadian corporate bond financing for the first 10 months of this year totals $290,946,000 according to a compilation made by Wood, Gundy & Co.—about 88% of the $330,364,500 volume for the comparable 1947 period but only about 60.5% of the comparable $481,924,188 volume for the comparable 1946 period. Corporate bond financing in 1946 was at a record high.

One striking feature of corporate bond financing in 1948 has been the substantial increase in the amount of new money being raised as compared with the two previous years. About 90% of the corporate bond financing for the first 10 months of this year represented new money requirements, only about 10% refunding. This is a much healthier condition for the Canadian economy than in 1946 when about 85% was for refunding. For the same period in 1947 only about 58% of the financing represented new money requirements.

Not only is the percentage of total corporate bond financing representing new money requirements higher, but the dollar amount is also higher. For the first 10 months of 1948 new bond financing representing new money requirements totalled $262,084,969,—about 36% higher than the comparable 1947 figure of $192,725,645 and nearly 3.7 times the comparable 1946 figure of $71,057,578.

Also significant is the fact that all of the Canadian corporate bond financing for the first 10 months of 1948 has been done in Canada. Nearly all (98.3%) was done in Canada in the comparable 1947 period but only about 71% was financed in Canada in the comparable 1946 period.

The actual figures for the corporation bond financing for the first 10 months of 1948 as compared with the similar 1947 and 1946 periods, as compiled by Wood, Gundy & Co. are:

CORPORATE BOND FINANCING
(Jan. 1 to Oct. 31)

	Total $	Refunding $	New Money $
1948			
Public Utilities	91,000,000	1,852,500	89,147,500
Railway	66,500,000	....	66,500,000
Indust. Misc.	133,446,000	27,008,531	106,437,469
All Sold in Canada	290,946,000	28,861,031	262,084,969
1947			
Public Utilities	109,906,500	52,531,700	57,374,800
Railway	1,480,000	....	1,480,000
Indust. & Misc.	218,978,000	85,107,155	133,870,845
	330,364,500	137,638,855	192,725,645
Sold in U. S.	5,500,000	4,987,500	512,500
Sold in Canada	324,864,500	132,651,355	192,213,145
1946			
Public Utilities	260,561,000	245,767,831	14,793,169
Railway	32,100,000	32,100,000	....
Indust. & Misc.	189,263,188	132,998,779	56,264,409
	481,924,188	410,866,610	71,057,578
Sold in U. S.	139,550,000	139,550,000	....
Sold in Canada	342,374,188	271,316,610	71,057,578

Earnings Outlook Better For Union Gas, Rates Up

Earnings outlook for Union Gas Co. of Canada took a decided turn for the better when Ontario gas referee R. S. Colter handed down a decision last week favorable to the company's application for rate increases.

"Company earnings for the current fiscal year (ending March 31, 1949) should be substantially higher than last year," General Manager Thomas Weir told The Financial Post. Although over seven months of the current fiscal year is over, most of the business is in the latter part of the year. In the year ended March 31, 1948 net profit dropped 64.5%.

For the first time, the company has been given a uniform schedule of rates over its whole system. For the big majority of consumers who use gas for cooking, water-heating and refrigeration and use 3,000 cu. ft. or less a month, the rate increase will mean an extra 16c to 66c a month—up from 10% to 21%. About 53% of the consumers are in this class.

For the 31% of the company's customers within the 3,000 to 10,000 cu. ft. class, the increase amounts to 66c to $3.01 a month or 21.2% to 37.1%. For the remaining 16% who use over 10,000 cu. ft. monthly, the increase will be anywhere from $3.01 to $19.01, a rate increase of 37.1% to 59.2%. In other words the rate boost is on a gradually increasing ratio with bulk of domestic consumers taking the smallest percentage rise. This situation is reversed, however, in the big Windsor area where an increase in addition to last January's interim rate increase was put into effect last August. Over-all rate increases will be much smaller in this area.

Better Gas Supply

The company's gas supply picture is improved, and Union Gas is going into this winter in a much better reserve position than last. It is estimated that even last winter's abnormal peak load demand can be met this winter without any industrial or domestic curtailment. Restrictions on new customers, however, are not being raised. The industrial load is being kept to the minimum and no new domestic customers are being taken on unless they are already on company lines and have appliances installed.

Windsor storage tanks with an additional liquid propane capacity of some 500,000 U. S. gallons were completed and filled this summer. This brings over-all propane reserves in the area up to 625,000 U. S. gals. This assures an entire winter's supply for this area it is stated. By mixing this high B.T.U. propane gas with oil gas made in the company's Windsor plant, mixed gas will be turned out with approximately the same heating power as company's natural gas.

Natural Gas Supply Down

Supply of gas from company's own wells has been steadily diminishing the last few years, necessitating greater purchases from independent companies and more manufacturing of gas. In 1940, for instance, the company secured 96% of its required gas from its own wells; for the 1947-48 fiscal year only around 50% of gas came from own wells. Although exploration work is going on to discover new wells, there has been little success to date. It appears now that any large additional supplies must be manufactured or obtained from other than company sources. Although hopeful that the plan to import natural gas from U. S. will materialize in the future, company officials are not counting heavily on this supply source over the near future. Natural gas shortage in the Detroit area of U. S. has been just as acute as in the Windsor-London-Sarnia area.

CARAL MINING CO. advises that Ontario Securities Commission has accepted particulars of sale of shares to the public through registered brokers in Ontario on the basis of 75% to the treasury. Authorized capital three million shares; issued 1,000,003; escrowed 900,000; filed Nov. 15.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ASNAZU GOLD DREDGING handled a substantially higher tonnage of lower grade gravel in fiscal year ended April 30, 1948, and net profit dropped $56,835 to $17,765.

The Martinez concession, covering the bed of the Cauca River in dredge No. 2 area, was completely worked out during the year and the lease renounced. Otherwise, there were no changes in the company's mining properties. No major construction was undertaken. Capital expenditures were limited to alterations and essential replacements to buildings, camp facilities and equipment.

INCOME ACCOUNT

Years Ended Apr. 30:	1948	1947
Bullion prod.	$826,592	$858,030
Less: Oper. exp.	632,573	583,241
Oper. profit	194,019	274,789
Add. Other rev.	66,262	......
Less: Depr.	154,831	166,179
Depletion	77,683	22,122
Colombian taxes	1,528	6,797
Export of funds tax	2,675	5,091
Amort. of hous. bds.	5,799	......
Net profit	17,765	74,600
Earnings per Share	$0.01	$0.05

No dividends paid.

CONDENSED BALANCE SHEET

As at Apr. 30:	1948	1947
Cash & bullion	$429,877	$389,169
Accts. rec.	18,071	3,203
Mat. & supplies	350,055	346,514
Total curr. assets	798,003	738,886
Prep. & def. chgs.	309,633	349,067
Colombian st. & bds.*	14,386	8,701
Props. & water rts.	1,112,268	1,112,268
Plant & equip.	2,084,532	2,069,461
Total assets	4,318,822	4,278,383
Accts., etc., pay.	43,143	34,965
Tax provision	1,528	15,972
Total curr. liab.	44,671	50,937
Loans & advs.	......	200,000
Depl. & depr. res.	1,460,017	1,237,570
Social benefit & conting. res.	37,526	38,334
Housing bonds & bonus res.	7,301	......
Capital stock	1,500,000	1,500,000
Surplus	1,269,307	1,251,542
*Market value	not stated	9,714
Working capital	753,332	687,949

OPERATING STATISTICS

	1948	1947
Gravel handled, cu. yds.	6,338,800	5,400,800
Average recovery	13.04c	15.89c
Reserves, cu. yds.	41,927,000	55,210,625
Grade	13.7c	16.15c

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What's New

New Products, Applications, and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Furnace In Attic

Oil-fired furnace that heats from the attic for use where cellar space is not available is offered by Massachusetts firm. Unit measuring 6 ft. x 3 ft. weight 480 lbs., hangs from ceiling on four steel eye-bolt hangers. A blower draws air in past two filters, forces it through the heating unit. Warm air is pushed into room by a fan.

* * *

Tests Wear and Tear

New York instrument firm's new line of special equipment is designed to test for resistance to wear various kinds of materials, among them: natural and synthetic leathers, textile fabrics, electroplate and die finishes, organic coatings. Two abrasive wheels create wear. Unit has adjustable timer that automatically shuts down machine after specified testing period; a dual control for linking two machines enables simultaneous testing of two materials under same conditions.

* * *

Gas From Low-Cost Oil

New process for making manufactured gas from low-cost oil is announced by American Gas Association, which claims process produces a gas of heat content equivalent to natural gas at a reduction of 30% or more in cost of gas from present gas-making materials.

* * *

Lowboy Refrigerator

New York firm has new line of refrigerators of lowboy type of 3½ cu. ft. capacity; height 34½ ins. Flat white porcelain top may be used as worktable. Size makes new refrigerator useful for small kitchenettes, offices, laboratories.

* * *

8-Min. Car Washer

Designed for small service stations and car dealers a new auto washing unit is now available from Detroit firm. Unit, which, it's claimed will wash car in 8 mins., consists of a pressure tank which supplies either wash solution or rinse water to a rotating hand brush. Tanks acts as a mixing chamber and to step up water supply pressure. Operator controls flow of wash solution and rinse water with set of valves built into mixing manifold. Tanks come in 6 and 2-gal. sizes.

* * *

Cuts Loading Time

Merchandise handling device, Hois-Trux, with which, it's claimed, one man can do the work of five is offered by Ontario firm. Makers claim Hoistrux operator can lift articles up to 2,500 lbs. without effort. Device has lifting bar or claw of heavy gauge steel, handling frame is cushioned with heavy sponge rubber to protect merchandise. Heavy duty, hard rubber-tired wheels or castors are said to ensure ease of movement.

* * *

Water Vacuum Cleaner

Vacuum cleaner which deposits dust and dirt it picks up down the sink drain is now available from Philadelphia firm. Cleaner, which operates hydromatically—dirt is picked up and combined with stream of water on its way to drain—is said to cut cleaning time 50%, and to be two and one-half times more efficient than conventional vacuum cleaners. Machine weighs 191 lbs. with all attachments, has pure rubber hose with no wire or fabric reinforcement.

* * *

7-in-1 Nursery Furniture

Convertible unit of nursery furniture, the "Rokorol," marketed by Winnipeg firm, can be adapted to seven uses: as a feeding and airing chair, rocker, walker-playpen, end table, tea wagon, bassinette, Rokorol has tuck-away wheels, can be put on sleigh runners.

* * *

Foolproof Color Planning

Color Calibrator which is said to make up color schemes that can't go wrong is offered by Buffalo firm. Device consists of a color wheel made up in segments of 12 basic colors which in turn are broken up into 98 different tints and tones of the basic colors. It's thus possible to match on the wheel any material chosen as starting point for color scheme. With pointer mechanism at centre of wheel so designed, it's claimed, that no matter how set, it's impossible to get color discord it's then possible to pick out up to six colors in varying tones that are in harmony.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LAKE OF THE WOODS MILLING CO. OF CANADA net profit increased 20.9% to $901,810 in fiscal year ended Aug. 31, after providing for a $125,000 inventory reserve against possible declines in prices for jute, cotton and bags.

The company maintained its position in the domestic market, but export production was curtailed, owing to the shorter wheat crop and the consequently lesser wheat available for other export markets, after fulfillment of the British contract, President & Managing Director C. H. G. Short states. Present indications suggest a further curtailment of export volume this year and it is improbable that profit figures can be repeated.

The situation created by reimposition of price ceiling legislation on the industry is that the domestic market is to a large extent being subsidized by export production, Mr. Short adds. A decline in export volume to a level even nearly approximating normal will entail, if the milling industry is to operate successfully, a sharp advance in domestic flour prices.

The subsidiary, Inter City Baking Co., maintained its position in the markets in which it operates.

CONS. INCOME ACCOUNT		
Years Ended Aug. 31:	1948	1947
Net earnings	$1,940,318	$1,374,220
Less: Interest	38,207	42,914
Res. for depr.	175,301	90,822
Res. for invest.	125,000	......
Inc. tax prov.	700,000	494,441
Net profit	901,810	746,043
Less: Pref. divds.	105,000	105,000
Com. divds.	236,302	236,302
Surplus for year	560,508	404,741
Earnings per Share and Dividend Record:		
Preferred	$60.12	$49.74
Paid	7.00	7.00
Common	5.40	4.34
Paid	1.60	1.60
CONDENSED CONS. BALANCE SHEET		
As at Aug. 31:	1948	1947
Cash	$897,810	$440,286
Investments‡	15,000	15,000
Accts. rec.	2,267,128	2,505,619
Inventories	4,271,326	3,526,630
Total curr. assets	7,451,264	6,487,535
Inv. sub. co.	611,194	611,194
Misc. assets▲	280,771	260,745
Fixed assets*	3,711,804	3,805,551
Goodwill, etc.	250,000	250,000
Total assets	12,303,033	11,415,025
Total curr. liab.	2,225,773	2,021,273
Ins. & pens. res.	150,133	150,133
Inventory res.	125,000	......
Capital stock	4,453,780	4,453,780
Surplus▲	5,350,347	4,789,839
*After depr. of	2,991,577	2,816,925
†Market value	45,680	39,960
▲Incl. ref. EPT	215,414	215,414
Working capital	5,225,491	4,466,262

QUEBEC TELEPHONE CORP. reports net profit of $72,227 for the nine months ended Sept. 30, 1948, compared to $59,545 in 1947. Operating revenue for the period was $582,067 ($493,520): Net profit in 1948 is equivalent to $1.99 per "A" share and $1.64 per "B" share. ($1.64 and $1.28 respectively in 1947).

MONTREAL APARTMENTS trustee, Royal Trust Co., advises holders of 4% first (closed) mortgage sinking fund coupon bonds due 1954 to surrender bonds with coupons due on and after Jan. 1, 1949, in order that they may be exchanged for like principal amount of new 4½% first (closed) mortgage sinking fund coupon bonds due 1964.

U. S. Dollar Drain For U. S. Crude May End–Imperial

In years to come, the drain on Canada's U. S. dollar resources from import of U. S. crude oil may be entirely relieved, H. H. Hewetson, president of Imperial Oil told the Montreal Canadian Club recently. Already this drain has been considerably reduced by Leduc.

The company envisages a plan which would make products from Alberta crude available to the company's British Columbia refinery. This would displace some California crude and products in the Pacific coast markets. It may also be feasible, Mr. Hewetson said, to move into Manitoba and northwestern Ontario. There Alberta crude would compete with U. S. mid-continent crude and products, which at present are either directly imported or come in via eastern refineries and shipment on the Great Lakes.

Full advantage of Alberta's oil discoveries cannot be taken until the steel situation permits construction of more pipelines, Mr. Hewetson said.

The following Certificates with optional term payment privileges are currently being offered by Investors Syndicate of Canada, Limited, in denominations of $1,000 face amount, or in larger denominations in multiples of $500.

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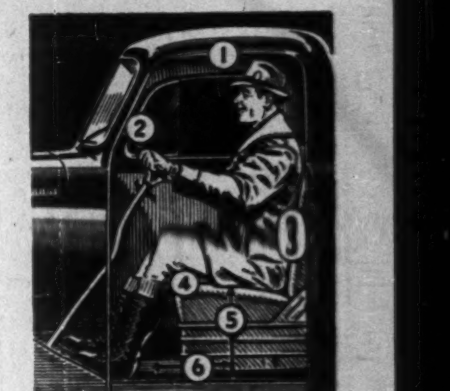
You are invited to see the Second Annual Canadian Championship Truck Roadeo in the Automotive Building, Canadian National Exhibition Grounds, Toronto, Monday, December 6th, 1948.



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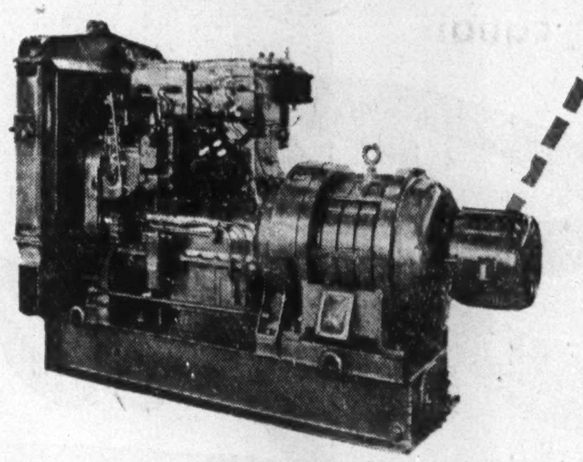

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The Financial Post

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The Why, How and Who of Hydro Crisis

First Full Story of Facts in Famine Now Plaguing Southern Ontario

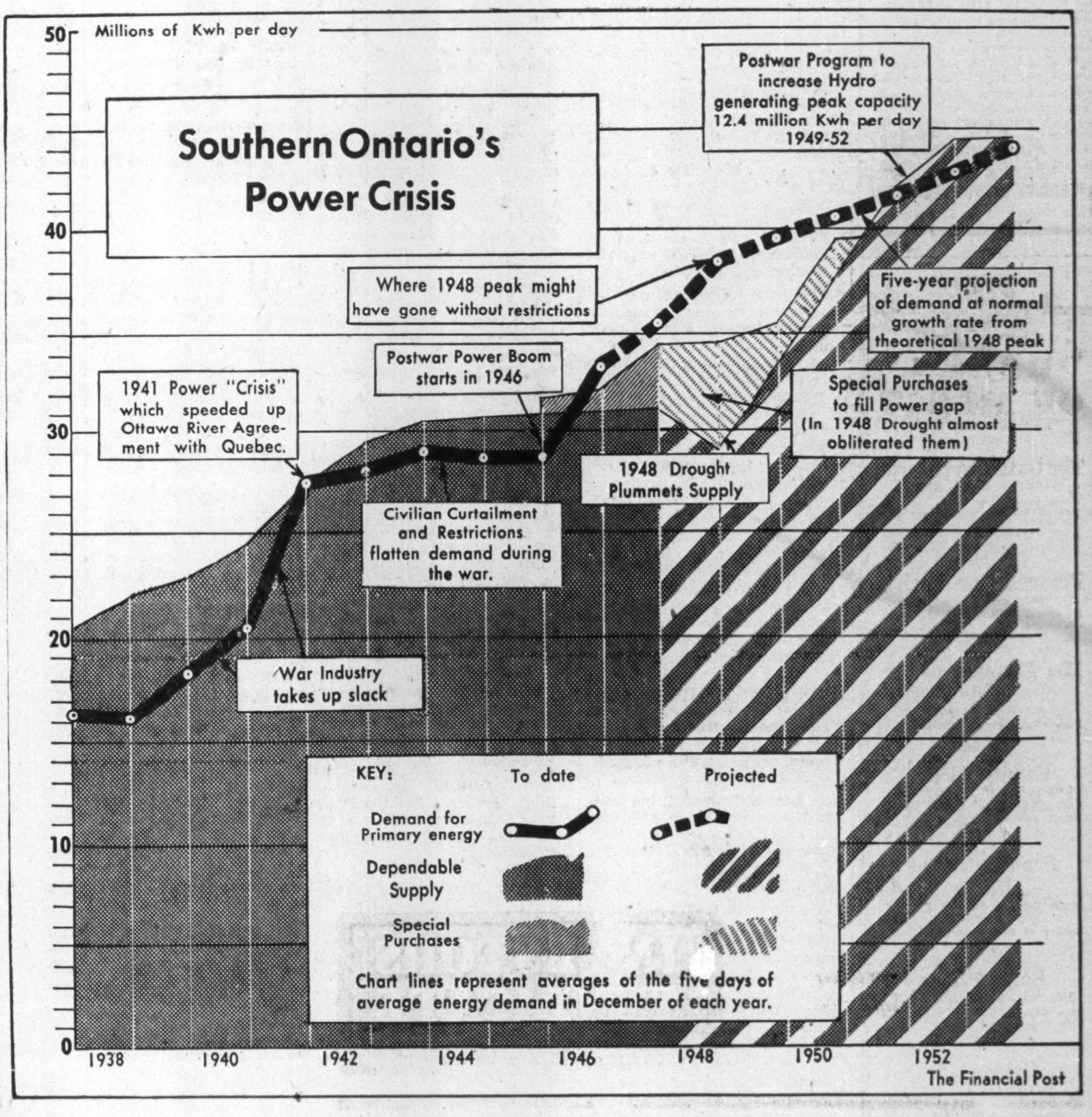


Chart lines represent averages of the five days of average energy demand in December of each year.

The Financial Post

By KENNETH R. WILSON

Why is there a power crisis in Southern Ontario?

How long will it last?

Who is responsible?

Is it a "depression that didn't happen" that is plunging several million Ontario Hydro customers into darkness and inactivity for an hour or more each dark winter's day?

There is no simple or single answer to any of these questions.

No one person or circumstance is entirely responsible for the grief and blackout that has descended on most of the customers of Ontario's famed publicly owned system.

What is clear is this: that an unexpected postwar boom caught the system at war's end in a dangerously vulnerable state. More recently has come an unprecedented drought.

Throughout this picture, and extending back to the cancellation of contracts by Premier Hepburn in 1935, there runs an intermittent complication of public ownership.

The point is this: In its ordinary affairs, Ontario Hydro has been commendably free from "political" interference; has had excellent "technical" management. But political controversy as to over-all plans and policies has undoubtedly had some effect in slowing or deferring the decisions of top management.

Here's the History

It was in 1906 that the now world-famous "league of municipalities" was formed in Western Ontario, to pioneer the co-operative purchase and distribution of hydro-electric power. The first year that deliveries commenced, the aggregate "load" of the original group of 10 municipalities was 3,500 horsepower.

Originally the co-operating municipalities bought all their power, but in 1917, a 200,000 hp development at Niagara was purchased. By 1925, the Commission had almost one million owned horsepower. This is supplemented with very substantial blocks of power, purchased under contract from private companies in Quebec, during the late 'twenties by the Ferguson Government. Today, the system has an estimated 1948 peak demand of 2.8 million hp and a combined investment of over $700 millions spread throughout its own system and its 500 associated municipalities.

Premier Hepburn entered the Hydro lists in 1935 by cancelling the Quebec contracts outright. His reasons: that the price and delivery rates were too high in light of the depressed conditions of the 'thirties; that Ontario would never need all the power it was buying from Quebec; that the contracts involved purchase of an expensive surplus supply. His slogan was "Back to Niagara" meaning: Let's save money by developing our own resources.

Mr. Hepburn pitched Ontario Hydro into the murky waters of political controversy.

Up to this time, Hydro had been run by a commission with, so far as could be seen, almost complete autonomy. The aroma of political partisanship and the flailing arms of political controversy didn't seem to intrude themselves on Hydro affairs.

Then came Hepburn making a partisan issue out of the contracts, and the firing of the chief engineer, the late Frederick Gaby.

Trouble developed within a year of the cancellation.

There were ice difficulties at Niagara; two Quebec companies had brought lawsuits against the province. The new chief engineer, Dr. T. H. Hogg, urged Acting Premier Nixon to reconsider the Government's attitude toward the repudiated contracts.

Hepburn's About-face

Premier Hepburn was then in Arizona for health reasons. Mr. Nixon sent David Croll, now Federal M.P., flying to Arizona to report to Hepburn on the impending trouble.

Mr. Hepburn, ignoring the gigantic uproar he had made about the old contracts, did a hasty about-face; signed a new contract with one of the companies (Ottawa Valley Power Company) in February, 1937.

Subsequently, Attorney-General A. W. Roebuck, author and chief advocate of the repudiation, resigned. There was an election during the summer. And in November, 1937, Dr. Hogg, a distinguished member of the engineering profession, was named chairman to succeed Mr. Hepburn's earlier appointee, the late Stewart Lyon. Within a month of the Hogg appointment, the remaining Quebec contracts were rewritten at the new price of $12.50 per hp instead of the original $15.

The new contracts were essentially the same as the old, except for the lower price and a longer term. They now expire between 1970 and 1976. They provided within 25,000 hp of the original quantities, but were staggered as to delivery dates, with peak deliveries in 1944.

Apart from the stigma of repudiation, two important results should be noted:

1. The new price of $12.50 became an eventual ceiling price affecting all purchases from Quebec.
2. Repudiation changed the basis of Hydro's relationships with Quebec power interests; tended to disturb confidence in long-term agreements with the province.

The point about the new "ceiling price" is important. This arose, reputedly, through the insistence of Attorney-General (now Senator) Roebuck.

Effect of the "Ceiling"

Before his resignation as Attorney-General, Roebuck insisted on including in the Ottawa Valley Power Co. contract this provision: that Ontario could make no agreement for Quebec power at a greater price than $12.50 after 1945, without that higher price becoming immediately applicable to all the contracts. (Ottawa Valley Power Co. is the corporation which develops power on the Quebec side of the river at Chats Falls.)

Since costs of generating power have risen steadily ever since, this made it unattractive for Quebec power companies to expand their facilities for export-to-Ontario purposes.

In other words, the Roebuck price clause meant that in meeting its future power demand, Ontario Hydro must stand on its own feet. Henceforth Ontario would have to develop her own power resources.

Under the new contracts, Hydro was in a relatively happy position when war was declared in 1939. Total dependable peak capacity was close to 1.7 million horsepower; demand was 120,000 horsepower below that point.

But the margin of safety narrowed rapidly. By the middle of 1941, what had been a very comfortable "cushion" of power three years before had been largely wiped out.

Hopes were pinned on the passage by Congress of the new St. Lawrence Treaty, signed by both countries in March, 1941, and which would have allocated to Ontario a clear million horsepower of cheap, continuous energy.

1942 Warning By Hogg

By early in 1942, Chairman Hogg warned municipal hydro officials at their annual meeting that a power shortage threatened the following winter. Shortly thereafter, with the United States then actively in the war, it became clear that Congress would shelve the Seaway treaty. Hydro officials turned their attention to an obvious alternate source of large-scale power supply: the Ottawa River.

Chairman Hogg was sent by Premier Hepburn to discuss the Ottawa River problem with Premier Godbout of Quebec. He found Mr. Godbout determined on one point: there would be no further joint development of this river for power purposes as had taken place at Chats Falls some years earlier.

Mr. Godbout proposed instead: "that each undeveloped site on the Ottawa River be allocated as an undivided unit, consisting of all the power available in both provinces, to one province or the other."

That needs brief explanation.

At Chats Falls, the plant was developed jointly: by OHEPC in Ontario and in Quebec by a private corporation which leased rights from the Quebec Government.

The new Godbout proposal was that there be no more half-and-half projects like Chats Falls. His scheme was that power sites in the northern sector of the Ottawa River be assigned for development by Ontario; that those on the southern reaches be developed by Quebec.

The proposal as worked out allocated four sites totaling 428,000 continuous capacity horsepower to Ontario. These sites were all in the upper reaches of the river. It allocated three power sites in the lower part of the river to Quebec. These had an aggregate of 422,000 continuous capacity horsepower.

Said Chairman Hogg of this proposal:

"Had Premier Godbout's suggestion been contrary to Ontario's interests it would, of course, have been opposed. Actually, this idea of allocating power sites in undivided units is not new. It was advanced a considerable number of years ago by the Commission's engineers. In principle the idea was regarded then, and is regarded now, as offering the most satisfactory possible solution of the Ottawa River power problem."

Following the discussions with Godbout, Hydro authorized initial exploratory studies (March, 1942) for development of the most important site proposed for allocation to Ontario, namely: Des Joachims (pronounced "diswishem"). This site had a rated continuous capacity of 224,000 horsepower and a dependable peak capacity of 480,000 horsepower.

Plan was Political Dynamite

If this plan for division of the Ottawa River for power purposes made engineering sense, it did not make as good political sense to opposition critics. The assignment of lower Ottawa sites to Quebec was looked on as political dynamite in eastern Ontario constituencies where the lower reaches of the river bordered.

Whether or not that was a factor, we don't know. But the knowledge that Hydro was negotiating with Quebec for development of the Ottawa River on an "undivided sites" basis brought immediate opposition objection. The cry of "selling Ontario down the river" was raised. George Drew led the attack, supported by George Challies, MPP of Morrisburg who represents the Eastern countries seat of Grenville-Dundas.

Opposition to the plan came also from Maurice Duplessis, sitting in the opposition benches in Quebec. Here again, political controversy at a high level entered the Hydro picture.

The agreement was negotiated and signed in January, 1943. It was approved by Ontario during its regular legislative session that year over the opposition of the Conservatives.

During the debate, an exchange of correspondence between Dr. Hogg and Premier Conant (who had succeeded Mr. Hepburn) was tabled. It showed Dr. Hogg as believing that from the long-term view "the consequence of failure to consummate the Ottawa River Agreement would be serious."

Dr. Hogg reported that the Federal Government had waived its rights in order to facilitate the development. He estimated that, subject to the necessary priorities, power could be available at Des Joachims "two years from the date of authorization." (The million horsepower plant at Shipsaw was completed in 18 months under greatest of wartime pressure and priorities, and under highly favorable engineering and planning conditions. It would probably take at the least, twice as long now. Thus the Hogg estimate would not be applicable today.)

Then came an election in the summer of 1943. George Drew reiterated on the public platform his determination to cancel the Ottawa River agreement if elected to office. Presumably he wanted to return to the old half-and-half scheme of development.

Godbout Stands Pat

Drew was elected to office in August, 1943, but without an over-all majority. One of his first acts on becoming premier was to name George Challies as vice-chairman of OHEPC. Mr. Challies was apparently to be Drew's direct contact with Hydro. The relationship with Dr. Hogg seems to have been formal and confined largely to official channels of communication.

Much later (January, 1947) Premier Drew asked for Dr. Hogg's resignation on the grounds that the Hydro chairman had not kept him informed as to the true state of affairs in respect of the power shortage and other Hydro problems and that Dr. Hogg's health was inadequate for the job.

In September, 1943, the month following the election, Mr. Drew went to see Mr. Godbout. Purpose of the visit, Mr. Drew has declared, was to lay plans for development of Ottawa River power. But Mr. Godbout apparently refused to consider any development other than that laid down in the 1943 agreeement. Nothing developed.

Meanwhile, the war in Europe increased in ferocity and gravity. War was making ever-increasing demands on manpower, explosive and steel products of every kind.

Everywhere — in government, industry, business, the street corner and back concession — the minds and hearts of men were concentrated in fending off and throwing back the immediate evil, Hitler.

The mounting temperature of war seems to have pushed back, further and further, the prospect of starting a big power project like Des Joachims. Such a project would be a big consumer of immediately critical supplies. But it would not produce important power supplies for some years in the future.

In the summer of 1944, Premier Godbout was defeated. Maurice Duplessis was returned with a substantial majority.

Another year rolled by without action on Des Joachims.

In the summer of 1945 Mr. Drew went to the polls. He was returned with a big majority.

According to correspondence tabled by Mr. Drew in the Ontario Legislature, it was a letter of Sept. 12, 1945, to Mr. Duplessis which opened fresh negotiations.

In a letter of October 12, Mr. Drew says, "I am sure that it is desirable for the (HEPC) to proceed without delay." While reiterating his dislike of some features of the 1943 agreement, Mr. Drew said he did "not think it should delay a beginning of development on the Ottawa River . . . It is important that this development proceed at once."

October 20, 1945, Mr. Duplessis wrote Mr. Drew agreeing that Ontario proceed with the "undivided site" development at Des Joachims. He made this reservation.

"Accordingly, it is agreed between the Government of Quebec and the Government of Ontario that the development of the Des Joachims site by the OHEPC will in no way be construed as a ratification or an acquiescence of the 1943 agreement referred to."

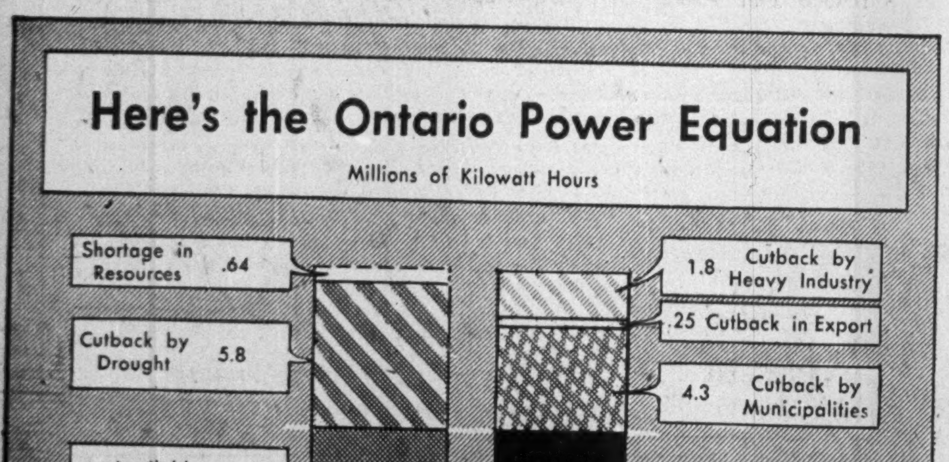
This correspondence, made public in April, 1948, contained also an agreement by Premier Drew that Quebec workers would be employed on the Quebec side of the development.

Within four weeks of the Duplessis letter, Hydro authorized contracts for $75 millions covering development of the Des Joachims site. This was on November 15, 1945. The initial authorizations for exploratory engineering and construction studies had been made in 1942.

The present Des Joachims development is being built astride the interprovincial boundary. This could mean that if the agreement were to be changed at some future date, Quebec might be able to obtain title to half the property. Hydro officials contend this is the best and most economical site, irrespective of any political considerations.

The legal basis for Des Joachims is still the 1943 agreement. This is said to be the only legal ground on which the development

(Continued on page 18)



The Financial Post

Cutting back demand so that it equals supply has been the headache that has faced OHEPC officials as the power crisis rose in November. Here's the problem on a typical weekday in mid-November:

SUPPLY: Normal dependable capacity of OHEPC system is 34.6 million kwh per weekday.

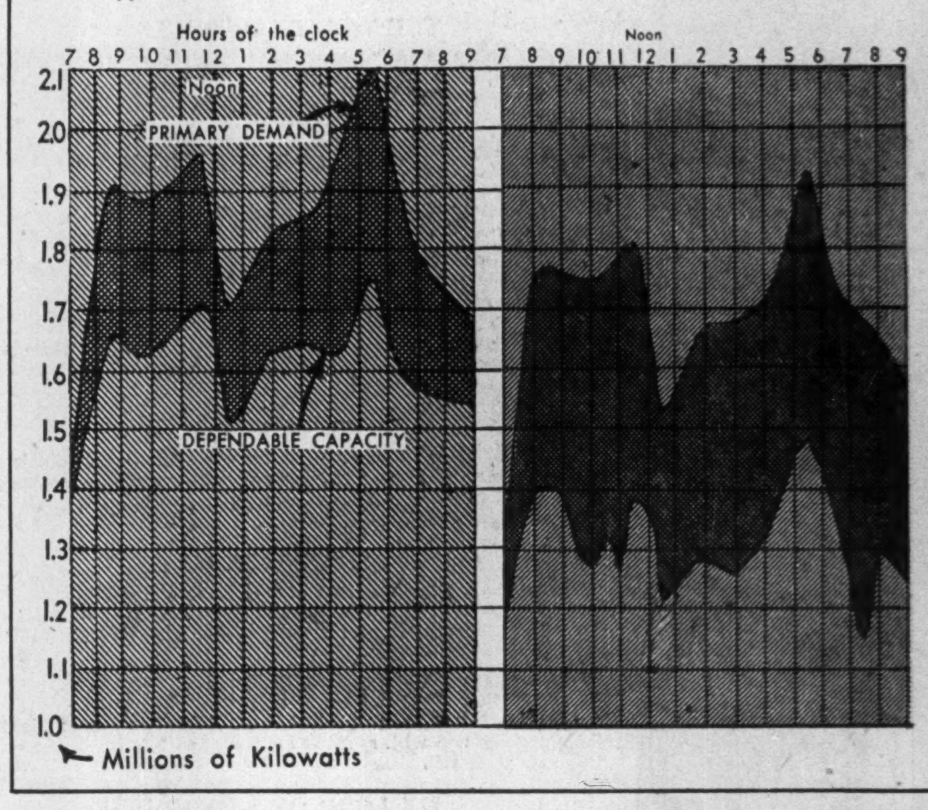
Of this, 19.9 million kwh is "continuous" power from Niagara and other sources not affected by drought. The balance (14.7 million kwh) is "variable load factor power" controllable more or less at will and dependent on adequate reserves in man-made or natural reservoirs, etc. During the week ending Nov. 14 this latter supply had been cut back 5.8 million kwh or almost 40% due to drought. Therefore net amount of power actually available was only 28.9 million kwh.

DEMAND: Normal estimated demand this same week was 35.3 million kwh. But since available supply was only 28.9 million kwh., the cut back totaled 6.4 million kwh. Of this 90% was attributable to drought and 10% to actual shortage of resources.

This cutback was absorbed as follows: By municipalities — 4.3 million kwh.; By heavy industry in Niagara Falls area — 1.8 million kwh.; by rejection of firm export contracts — 225,000 kwh.

Actual cutback represented 28% of requirements of heavy industry; 27% load reduction for municipalities.

NOTE: These figures are worked out on a 24-hour basis. Since peak load for municipalities comes during the day and especially at certain hours, specific effect of cuts was greater than indicated by over-all figures. Also, peak demand comes in December, not November. In December therefore, the system will feel full effect of shortage of resources. Whether or not water supply improves in December, proportion of cutback due to drought will be very much smaller this month.



These two charts show what the power shortage looked like to an engineer in mid-November (right), what it's expected to look like to him in mid-December (left). Dark-shaded gap between two lines in each chart shows extent to which actual load carried (in November—28.9 million kwh) or dependable capacity (in December—34.6 million kwh) falls short of estimated demand (35.3 million kwh, Nov., 38.4 million kwh, Dec.).

Hydro officials say that most of the gap shown can be absorbed by cutting back big direct power users in the Niagara district who purchase power on an interruptible basis. Balance can be taken care of by voluntary restrictions, conservation, etc. It is when the gap widens, as it did in November due to the added complication of drought, that blackouts are inevitable. The charts show clearly how the peak demand for power rises and falls.

Houses for Canadians

By HUMPHREY CARVER. An analytical study of housing, based on Toronto. Of value to all who are interested in finding a way out of a situation which is injurious to the health and economic welfare of the people of Canada. $2.00

Deductions under the Income War Tax Act

By F. E. LA BRIE and J. R. WESTLAKE. Here is a strong plea for a return to general business principles in decisions upon the right to deduct general business expenditures from income. The authors compare English and Canadian Tax Acts, and seek to establish the validity of English decisions in relation to Canadian cases. A study of the new Income Tax Act is also made. $2.50

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DONALDA MINES started shipping ore to the Powell-Rouyn Gold Mines mill on Oct. 25, with production now running at 200 tons of ore per day. Since the start of production underground development has been curtailed temporarily with work concentrated on preparation of stopes which are being opened on all levels. Plans call for increasing production rate to 300 tons daily as soon as possible.

Christmas Books for Businessmen

Biography

WAYFARING STRANGER, by Burl Ives. Published by McGraw-Hill of Canada, Toronto. 304 pages. Price $4.50.

Burl Ives, the man who brought ballad singing back to popularity, has written an autobiography of his carefree wandering minstrelsy from Illinois cornfields to Manhattan nightclubs.

In stirring, imaginative language he tells of fighting policemen, riding with bootleggers, escaping from an old maid, singing and playing for evangelists and politicians, in speakeasies and public parks. Wherever he went, he listened to the songs of the people, and the stories behind the songs and those who sang them.

BET A MILLION: The Story of John W. Gates, by Lloyd Wendt and Herman Kogan. Published by McClelland & Stewart, Toronto. 357 pages; 13 illustrations. Price $4.25

Gates, the farm yokel who became one of the most audacious financial buccaneers of all time, kept the U. S. in a turmoil while he waged a battle of millions with Wall Street tycoons, notably J. P. Morgan. In his spare time, he played million-dollar poker games, built fantastic houses, bet fantastic amounts on the outcome of trivial things and shocked even Chicago with his parties.

Wendt and Kogan trace vividly the career of a man whose strong compulsion for money and power led him into a pirate's fight against bigger and more virulent pirates in and out of the law courts, in grandiose hotels, smoky rooms and tight little offices, with a gambler's skill and cunning and outlandish daring.

JOHN LAW: The History of an Honest Adventurer, by H. Montgomery Hyde. Published by McClelland & Stewart, Toronto. 204 pages. Price $4.50.

This is the amazing story of John Law of Lauriston, the Scottish financier and gambler who left Britain to become for a time, in the early years of the 18th century, the most powerful minister in France.

A pioneer in the use of paper money, he gave the word "millionaire" to the English and French languages; while in the famous Mississippi Company, which he promoted, his name will always be associated with the greatest mania of financial speculation ever known.

Hyde's biography is a remarkable tale of a man who was at once beau, gambler, lover, traveler, banker, company promoter and adventurer—but who was also fundamentally honest and who made a real and substantial contribution to the social and economic history of his times.

THE CONFESSIONS OF A CAPITALIST, by Sir Ernest Benn. Published by S. J. Reginald Saunders & Co., Toronto. 212 pages. Price $2.75.

When Benn first wrote this book in 1925 (more than 250,000 copies have been sold; translations have been published in six languages), he said "I am an unrepentant believer in private enterprise. I have failed to discover in a long and diligent search, any material benefit which has ever reached mankind except through the agency of individual enterprise. I therefore regard the whole movement for creating wealth by political agencies as a snare and a delusion."

Writing a foreword earlier this year for the 13th edition of his book, he said: "The rate of government expenditure and some other figures mentioned in this book have increased enormously since it was written, and the case for private enterprise has, I believe, been strengthened by nearly everything that has happened in the past 20 years."

Benn tells his own story of how a large modern business was built from small beginnings. He is proud of his story, not apologetic about it; but there is nothing "stuffed shirt" in his telling of it.

LAUGHTER IN THE NEXT ROOM, by Sir Osbert Sitwell. Published by Macmillans of Canada, Toronto. Price, $4.25.

Fourth volume of the rich literary biography of a stately home in England, this book is at the same time the humorous and many-sided autobiography of a gifted individualist among contemporary English writers.

The time covered in this volume runs from the Armistice of 1918 to the death of Sir Osbert's father in 1944. Early in that period, Sir Osbert embarked energetically on his career among the artistic and literary great of London. Now he has painted with fine detail and urbane humor, some unconventional portraits of Shaw, Woolf, Yeats, the Huxleys, Maynard Keynes, Isadora Duncan and Lady Asquith.

Sitwell mixes with the great, stands for Parliament, writes a book of poems, edits a quarterly devoted to art and literature, interviews celebrities, writes innumerable newspaper articles, organizes art shows, produces much art criticism mixed with political satire.

FAMILY CIRCLE, by Cornelia Otis Skinner. Published by Thos. Allen Ltd., Toronto. Illustrated with photographs. Price, $3.

"Family Circle" is the story of a famous family; two generations of them are associated in most minds with all the glamour of theatrical tradition. But these three people, Otis, Maud and Cornelia, are as natural and loving a trio as might be found in any village.

Otis Skinner was a trouper, he was of the era of the grand tour. All America knew him, and he knew all America. But Maud longed to be settled, so the family put down its roots in Bryn Mawr, where Cornelia survived college and dancing school and the other perils of adolescence to emerge a full-fledged actress, making her debut on Broadway, holding her father's hand as the curtain rings down.

MEMOIRS OF ALFRED ROSENBURG, annotated by Serge Land and Ernst von Schenck, translated by Eric Posselt. Published by Ambassador Books, Toronto. 420 pages. Price, $3.

The infamous philosopher of the Third Reich wrote his memoirs while awaiting his death sentence at Nuremberg. The result, far from being the recantation which civilized men expected, is an astounding and brazen document in its disclosures. It is utterly frank in exposing the weaknesses of the Nazi regime, although the author believed he was defending them.

THE LIBERAL PRESIDENTS, by J. C. Long. Published by Ambassador Books, Toronto. Price, $4.75.

A history of the American presidency which shows how the great liberal presidents, such as Jefferson, Monroe, Jackson, Lincoln, Cleveland, Theodore Roosevelt, Wilson, FDR, have been constant sources of change, reform and new power. A challenging and controversial book.

SINGING RAILS, by Herbert L. Pease. Published by Ambassador Books, Toronto. 320 pages. Price, $3.75.

Pease recreates in this book all the excitement he felt as a youngster in 1900 when he got his first job as a night telegrapher on the Chicago & Alton railroad. His life was full of sudden emergencies and "Singing Rails" is a colorful tale told by an expert storyteller. It's for railroad fans and anyone who likes a well-told personal success story with an unusual background.

SWEET AND SOUR, by Joseph Wechsberg. Published by Thos. Allen, Ltd. Toronto. Price, $3.

The new Czech Republic, midwifed into existence after World War I by Masaryk and Wilson, had its dislocations. The Wechsberg family bank became the town's most fabulous delicatessen, owned by a rival family. Life was comparatively carefree and good, however, and the young law student who was later to fiddle the seven seas with a hot violin enjoyed it all, from the taste of salami to the American magazines he read in an especially hardhearted dentist's office.

Half the book is given to recapturing the special tang of the time and place in which Wechsberg grew up. The rest carries him into the world of claques at the Vienna State Opera, maritime music-makers on a variety of vessels, night clubs in Algeria.

ONE THING AFTER ANOTHER, by Charles B. Pyper. Published by J. M. Dent & Sons, Toronto. Illustrations by Nancy Pyper. Price, $3.50.

Newspaperman Pyper, like the Walrus and the Carpenter, talks of many things he has known and loved in a lifetime which has been filled with more than the average man's opportunities to get around and observe. He talks of a quiet night in the northland, of washing on the line, of boxing, Bernard Shaw, and cooking, of women, and humor, and kippers.

Pyper's discourse is light, but with an air of authority; with substance, but not pretension; and he writes in a style which has all the qualities of sparkling conversation.

LIBERAL'S PROGRESS, by Gerald W. Johnson. Published by Longmans, Green & Co., Toronto. Price, $4.00.

Edward A. Filene, merchant and social thinker, is the subject of this biography. It tells how a hard-headed, successful businessman, scornful of Utopians and idealists and frankly out to get all he could, came to adopt a conspicuously liberal, economic and political philosophy. It is the story of a poor boy who made good, and who then became convinced that honesty and industry are no longer enough—that the greatest success is achieved only when the man of business goes beyond these simple virtues and makes a real contribution to the welfare of society.

JOSEPH DUVEEN, by S. N. Behrman. Published by Random House of Canada Limited, Toronto. Price, $4.50.

A biography of Joseph Duveen, Lord Millbank, whose shrewd salesmanship created the richest art collections in America and manipulated the National Gallery in Washington into existence. His story is fabulous and it is told with rich appreciation and criticism for the follies in the high places in which he flourished.

Of wide interest to art lovers, collectors and those who relish "personality" biographies.

THE PLAGUE AND I, by Betty MacDonald. Published by Longmans, Green & Co., Toronto. Price, $3.

This time, though the irrepressible "Egg and I" MacDonald humor bubbles all through the book, she has an underlying serious purpose — to warn those who are threatened with tuberculosis but who, through ignorance of the symptoms, do not go to a specialist in time.

Betty MacDonald describes the hospital where she was treated for TB, the other patients, the staff, with an amazing combination of hearty laughter and dead-earnest seriousness.

THE DAMON RUNYON STORY, By Edward H. Weiner, with introduction by Walter Winchell. Published by Longmans, Green & Co., Toronto. 256 pages. Price, $3.50.

Runyon, famous as the teller of wry stories about Broadway characters, was also a sports writer, poet, columnist, and motion-picture producer. His name has become a household word, but nobody really knew the man himself. To get the whole story, Reiner wrote to many of Runyon's boyhood chums, and to others who knew him during his early roving days. Other gaps were filled in by talks with the varied and colorful people who made up Runyon's wide acquaintance. As the picture emerges, it reveals this Broadway chronicler as one of the chief pioneers in the development of modern American journalism. His influence as a stylist extended beyond the newsroom to make its mark on today's writing.

HOLLYWOOD WITHOUT MAKEUP, by Pete Martin. Published by Longmans, Green & Co., Toronto. 255 pages. Price, $4.

Pete Martin, ace Satevepost reporter, brings his trained eye and wit to bear in this hilarious, informative picture of Hollywood from the adult point of view. He omits the fan-magazine attitude.

During his reporting sojourn in Hollywood, he had first-hand experience in movie making: took a screen test, was made up to look like George Washington, played as an extra, and helped put a waitress through the studio glamorizing process.

Fiction

FROM THE CITY, FROM THE PLOUGH, by Alexander Baron. Published by Clarke, Irwin & Co., Toronto. Price, $2.25.

Somewhere between a novel and a documentary, this is a sort of universalized story of one infantry battalion, the Fifth Wessex. It presents the British soldier individually—officer and man as he was, and is, in all his varying moods. It presents him also as one of a body of men consciously engaged in a war. Baron says: "The soldier lives a drama; he never has time to perceive it. His life, even in battle, is a succession of chores." This book shows the chores and the dramatic pattern into which they fit.

GINA, by George Albert Glay. Published by Geo. J. McLeod, Toronto. Price, $3.

Here's one for readers who liked "Forever Amber." Setting is the Philippines, where Canadian-born Author Glay had time to pick up local color serving with the U. S. Army at Cebu. The time is just before the war, and up through the Japanese occupation of the islands. Gina is an incredible American girl with a consuming ambition for wealth and power—and a certain talent.

NIGHT RIDER, by Robert Penn Warren. Published by Random House of Canada, Toronto. Price, $3.50.

A story of personal conflicts in the violent setting of the Tobacco War which took place in Kentucky in the early years of this century, by the author of the Pulitzer prize winning "All the King's Men." "Night Rider" was originally published in 1939; persistent requests for copies after the first issue was exhausted have resulted in this new edition.

HOUSE WITHOUT A ROOF, by Joel Sayre. Published by Clarke, Irwin & Co., Toronto. Price, $3.

The Hofmanns are a German family who live in Berlin. Hedi Hofmann was a Mischling or mongrel; in Nazi parlance this meant she was half-Jewish, and as such excluded from civil rights. She was not really married to Hofmann, for his status as an Aryan and a Nordic made this illegal. He was an expert engineer with a well-concealed hatred for Der Fuhrer. Theirs is a story of life under the Third Reich, a story of the humor, ingenuity and spirit which enabled them to survive those grim, oppressive years.

Sayre's book is expanded from a series of articles he did for The New Yorker magazine.

THE YOUNG LIONS, by Irwin Shaw. Published by Random House of Canada. Price, $4.

This is Irwin Shaw's first novel—an enormous and moving panorama of men and their fight for human dignity and decency. Principal characters are three soldiers—two American, one German. Their personal fate is bound to the complex pattern of modern war on a world scale and the web of circumstances which inevitably entangled them.

Irwin Shaw, author of "Act of Faith," is a noted playwright, war correspondent, short-story writer, contributor to The New Yorker.

THE DEER CRY: A Novel of Patrick of Eirinn, by William G. Schofield. Published by Longmans, Green & Co., Toronto. 307 pages. Price, $3.50.

A fictional treatment of the life of Ireland's great St. Patrick, weaving the legends and accounts of him into an exciting novel. The book pictures the rich beauty of sixth-century Irish civilization, the rising cloud of the Dark Ages, the swift spread of the Christian influence, the human and frequently impetuous side of Patrick, captured at his home in Gaul and taken as a slave to Ireland where he was set to work herding flocks.

CAPTAIN FOR ELIZABETH, by Jan Westcott. Published by Ambassador Books, Toronto. 464 pages. Price, $3.

History holds few lives as filled with romance and adventure and derring-do as that of Cavendish, captain for Good Queen Bess. When Captain Cavendish's flagship "Desire" rode into Plymouth Harbor two years after she had left it, her sailors were clothed in silk, her sails were damask, and her topmast was covered with cloth of gold.

Jan Westcott, author of "The Border Lord," has woven a thrilling tale around the excitement, drama and heartbreak of Cavendish's career, and has captured the full flavor of his adventures and those of his crew.

BLACK IVORY, by Norman Collins. Published by Wm. Collins Sons & Co., Toronto. Price, $3.

Collins, author of "London Belongs To Me," takes his readers far from the streets of London in his new book, a modern "Treasure Island," back to the slave-trading days of the early 19th century and, in a first-person narrative, tells the adventurous and highly dramatic story of a 15-year-old boy who found himself serving as one of the crew on an Africa-bound hell-ship.

It is the story of Ralph Rudd, "his early Adventures, Perils, and Misfortunes on Land and Sea, including sundry close Encounters with High-Jacking Mutiny, and Violence off the African Slave Coast; together with an Account of the Treachery of Others, and of his Subsequent Confinement in the Gallows' Cell of Old Newgate in the 14th winter of his Life; concluded by a Record of what, in the Fulness of Providence, happened thereafter to Ralph Rudd, Fortune-Seeker, Fugitive, and Gaol-Bird."

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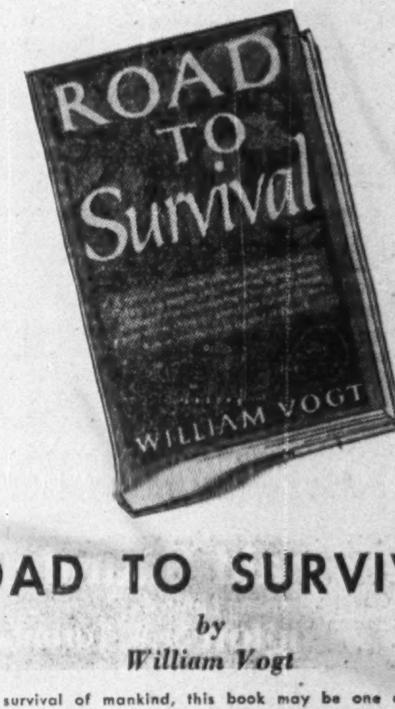

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If Mr. Vogt's book is read by enough people willing to realize that humanity is caught in a situation as real as a pair of shoes two sizes too small, there is hope for a road to survival.

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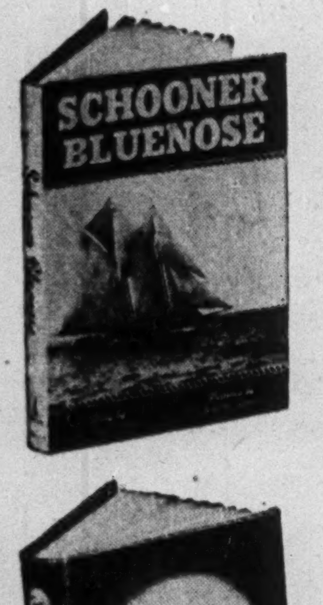

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By George V. Ferguson. "No matter what 1948 may bring in the way of books, not many of them will make better reading than George Ferguson's *John W. Dafoe.*"—*British United Press.* $2.25

THE VILLAGE OF SOULS
By Philip Child. "A book that may well become a Canadian classic . . . rich with skilled craftsmanship, authoritative detail of the period, historical truth and an intensely moving story."—*London Free Press.* $3.25

SCHOONER BLUENOSE
By Andrew Merkel. This history of the famous racing schooner, *Bluenose*, is an ideal gift for all Maritimers and for everyone who loves sailing. With forty-four superb photographs by W. R. MacAskill. $4.50

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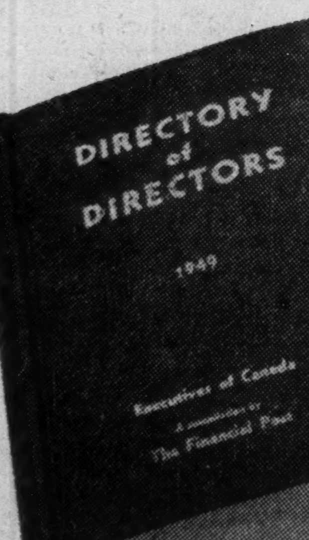

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Christmas Books for Businessmen

Fiction

PLAYING FOR KEEPS, by Roger Vailland. Published by Thos. Allen Ltd., Toronto. Price, $3.

On the surface, Vailland has written a swift thriller of French underground agents playing a cat-and-mouse game with the Gestapo in the supercharged Paris of the spring of 1944. Actually his theme concerns the battle that Communism is waging to possess the soul of Europe.

"Playing For Keeps" takes the reader into the heart of the Marxist drama. It exposes the forces working for and against conversion to the Party: the choice between liberty and discipline, between critical intelligence and unquestioning obedience, between individual and mass, between liberalism and the metallic universe of the commissars.

THE BIG FISHERMAN, by Lloyd C. Douglas. Published by Thos. Allen Ltd., Toronto. Price, $4.

Douglas in this volume gives his version of the story of Simon called Peter, the most lovable and human of the disciples, who laid down his fishing nets on the Sea of Galilee to follow Jesus to Gethsemane and then to deny Him thrice, yet later to become the greatest of the first leaders and teachers of Christianity.

In "The Robe," Douglas began his story in 37 A.D., and in retrospect told the story of Marcellus through the reconstruction of the life and spirit of Jesus. "The Big Fisherman" begins in 30 A.D. and many of the principal characters of the book are characters of the Passion Story.

These were the years when the clanking armor of the Roman Soldier was heard everywhere; the land was a polyglot of warring peoples through which was heard the voice of Jesus. Douglas has drawn on all these people for his characters.

THE BIG FREEZE, by Bellamy Partridge. Published by Ambassador Books, Toronto. 236 pages. Price, $3.25.

Dramatic story of New York in the 1840's when David Wakeman, a young engineer, had to battle politicians, flood, fire and finally the big freeze before he completed the building of the Croton aqueduct, which controls New York City's water supply. The novel is peopled with many famous men of the time. Partridge is well remembered for his recent best seller, "Country Doctor."

THE RICH MAN, by Henry Kreisel. Published by McClelland & Stewart, Toronto. Price, $3.00

Vienna-born Kreisel, at 25, has written a first novel which has attracted wide attention. He escaped to England from Austria when Hitler invaded in 1938; came to University of Toronto to take his master's degree, is now lecturing at University of Alberta and working on another novel.

"The Rich Man" is the story of Jacob Grossman, immigrant Jewish garment worker of Toronto, who after 30 years goes back to visit his mother and sisters in Vienna. He finds them living in poverty and fear of the Nazi spectre; to them he is rich with the fabulous wealth bred of distance and inference. Kreisel's story tells how Grossman believes this fable of himself until circumstances humble him to the truth.

History

THE RAPE OF POLAND: Pattern of Soviet Aggression, by Stanislaw Mikolajczyk. Published by McGraw-Hill of Canada, Toronto. 380 pages; illustrated with photographs. Price, $4.50.

A story with brutal significance for the world; a personal report and a historic record that clarifies Russian motives, methods and aims in a country now lying paralyzed and prostrate.

Mikolajczyk speaks as an on-the-spot eye witness to this national tragedy; he knows the facts for he was Prime Minister of the Polish Government-in-Exile from 1943 to 1945, deputy prime minister of the Provisional Polish Government in Warsaw, and chairman of the Polish Peasant Party from 1945 to 1947. He fought continuously for his country; this book tells his story, which is Poland's story, from 1939 to 1948.

It is a quiet, unassuming record of personal bravery; a story that stands as a warning against appeasement of any totalitarian power.

Humor

CINDERELLA HASSENPFEFFER, by Dave Morrah. Published by Clarke, Irwin & Co., Toronto. Illustrated by the author. Price, $1.

Subtitled "And Other Tales Mein Grossfader Told Me," this is a collection of "very funny Fables, Fairy Tales, Rhymes and Historical Anecdotes" told in pseudo-German dialect. Topics run all the way from "Redisch Riden Hood" to "Ein Frauleiner Pitchen Der Wooen," and from "Der Pooch in Der Manger" to "Kris Kolumbusheimer." Profusely and amusingly illustrated by the author whose pieces have appeared widely in magazines.

LARKS IN THE POPCORN, by H. Allen Smith. Published by Doubleday, Canada Ltd. Toronto. Illustrated by Leo Hershfield. Price, $3.

Smith says his book appeals only to two classes of readers: those who live in the city, those who live in the country. His current piece of flim-flam begins with his life in New York City, just before he took to the hills, and includes his war memoirs—his life as an air raid warden in Jackson Heights. Then come his more recent adventures on his 4.03 (more or less) acres in Westchester County.

There's the usual hilarious lineup of typical Smithian characters: the famous surgeon who sprays his ailing peach trees with penicillin, the man who built his own private prairie in Westchester, the lady who invented the cocktail, and a few others who defy description.

BEST CARTOONS OF 1948, edited by Lawrence Lariar. Published by Ambassador Books, Toronto. Price, $3.25.

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THE WHIMSEY REPORT or SEX ISN'T EVERYTHING, by Parke Cummings; illustrated by Al Piane. Published by Ambassador Books, Toronto. Price, $2.50.

With about equal parts of whimsy and some strong pseudo-Kinsey, Cummings has produced an amusing satire and some memorable characters. There is Cummings himself, who decides to turn out a report; President Stanforth, of Old Blunderbuss Whisky, as sponsor; Professor Tewksbury; and Al, discovered in a local pub. The survey gets under way and the story continues, scarcely mentioning sex, with witty and penetrating realism.

CHECK YOUR WITS! by Jules Leopold. Published by McGraw-Hill of Canada, Toronto. 250 pages; 150 illustrations by Charles Alston. Price $3.50

A bright collection of puzzles, brain teasers, number problems, tongue twisters and other assorted enigmas. There are puzzles here for all the family from Junior up, conveniently arranged according to their level of difficulty so that the reader may pick his own degree of challenge.

This is a book to whisk off the shelf when conversation lags at a Saturday night party, to leave within easy reach of a baby-sitter, to help a convalescent friend while away the hours, to take along on a train trip, or to stump a favorite expert.

Poetry

ACTFIVE and Other Poems, by Archibald MacLeish. Published by Random House of Canada, Toronto. Price, $3.

The first collection of poems by McLeish, now Librarian of Congress, issued for more than a decade. The present volume includes, together with some 20 shorter pieces, a new long poem of our time which deals with the tragedy of a world in which Man, betrayed and alone, must find in love and courage an ending to the play.

Music

THE WORLD'S GREAT OPERAS, by John Tasker Howard. Published by Random House of Canada. 512 pages. Price, $3.75.

Howard, curator of the American Section of Music in the New York Public Library, here offers the stories of 205 world-famous operas briefly and clearly summarized. Index guides reader to composers, librettists, characters, and sources of plots.

A HISTORY OF POPULAR MUSIC IN AMERICA, by Sigmund Spaeth. Published by Random House of Canada, Toronto. Price, $6.

An interpretation of the significance of popular songs and music from the standpoint of their effect on the people of their time (and later generations), the extent to which they reflected the manners and customs of their day, and in rare instances, their permanent value as judged by the universal standard of art.

This volume contains the most comprehensive list of popular music ever assembled in print. Thoroughly indexed by titles as well as by composers.

General

WEEK-END PAINTER, by Laurence V. Burton, illustrated by the author. Published by McGraw-Hill of Canada, Toronto. 192 pages. Price $4.25.

How do you get started painting? What do you need to buy? And what do you do when you get it? Like many business and professional men and women, Burton turned to painting for a hobby and relaxation. Unable to find all the "hows" and "whys" in the books that were available, he learned largely by experiment and trial and error. His book supplies the information he needed when he started painting, and answers the questions now asked of him frequently.

The increasing number of amateur artists who paint for pleasure and relaxation will find this book a valuable aid.

PUTTING YOUR DOLLARS TO WORK, by Ronald A. McEachern. Published by Oxford University Press, Toronto. Price $3.00.

This book—for people who have saved some money, who are trying to, or who hope to—found its mark when published earlier this year, for the first edition quickly ran out and a second printing, now off the press, was needed to meet the heavy demand.

Basically, this is a book on how to invest money in stocks and bonds safely and profitably.

Nowhere else in one easy-to-understand volume is there such a comprehensive outline of what one needs to know about money. Set down in this book in simple form are the facts which any saver of money wants to know, or have readily available, about the workings of the Canadian economic system, about the various types of financial institutions and how they supplement each other in doing the nation's business.

Because Government policies and departments deeply affect the individual and his savings, the author devotes several chapters to show what is being done and why.

(CP): THE STORY OF THE CANADIAN PRESS, by M. E. Nichols with foreword by Leonard W. Brockington. Published by Ryerson Press, Toronto. 327 pages; 18 illustrations. Price, $5.

Story of the organization — its beginning and growth; its problems, perils and escapes — of this sprawling co-operative whose business it is to report what people do and say. This is the authoritative and entertaining story, by one of CP's founders, of how Canadian newspaper publishers banded themselves together to establish a fully nationalized news system, overcame rampant sectional differences, and faced up to the problems peculiar to a widely spread and thinly populated country.

It tells how they built up The Canadian Press into a power that brings to Canadians the basic news of the world, keeps its watch on the affairs of the community, the province and the nation, and brings Canadians from one shore to another to a common understanding of the nation's problems.

THE WEST AT BAY, by Barbara Ward. Published by Thos. Nelson & Sons, Toronto. 234 pages. Price, $3.75.

Miss Ward, assistant editor of the London Economist and a BBC governor, asks whether Western Europe can survive; and attempts to answer the question by putting the Marshall Plan and the effort of Western democracies to build a closer association in Western Europe within a wider framework. She describes Europe's relative decline, the rise of America, the strength and weakness of American policy, the economic collapse in Europe, and the Communist pressure.

This writer believes successful and effective Western association is possible, and shows the necessary spiritual basis and outward forms. The West is offered the choice, she says, of fulfilling the promise inherent, yet still unrealized, within it of creating a free, good and just society.

WELLS FARGO, by Edward Hungerford. Published by Random House of Canada, Toronto. Price, $4.75.

The story of a company which was intimately associated with the wildest and most rugged events of American frontier history from the discovery of gold in California in 1849. Hungerford is perhaps the foremost chronicler of transportation in the United States and was, in his younger days, an employee of the Wells Fargo Company and the Wells Fargo Bank of San Francisco.

Travel

IN SEARCH OF SOUTH AFRICA, by H. V. Morton, Published by S. J. Reginald Saunders & Co., Toronto. Price, $3.75.

South Africa, with its scenery, mountains, plains, and its complex population of Europeans and native tribesmen is the subject of Morton's latest "Search" book. It is mainly a record of personal experiences—of Boers, Britons and Bantus, of the great spaces, the game preserves, and the life in thriving modern cities and on farms.

Starting from Cape Town, the writer traveled through the Cape Province and its native reserves into Natal, where he visited Zululand and the famous game reserve there.

SCHOONER BLUENOSE, by Andrew Merkel. Published by Ryerson Press, Toronto. Photographs by Wallace R. MacAskill. Price, $4.50.

Here is the story of the proud Queen of the North Atlantic fishing fleets, from the day when the schooner was launched at Lunenburg, through her exciting encounters with other famed vessels, until the day when the great vessel neared her last finish line, breaking her back on a ledge off Haiti, the favorite hunting ground of Nova Scotia seafarers. It was a fitting climax to the great career of a schooner which had proved her superiority, on all points of sailing and in all weather conditions, over every ship which had sought to dispute her claim to the championship.

ROCKY MOUNTAINS, by Frank S. Smythe. Published by Macmillans of Canada, Toronto. Illustrated by photographs. Price, $9.75.

Frank Smythe trained British and American troops in snow and mountain warfare at Jasper during the war, when he explored a considerable part of the Rocky range. He has since returned to take many photos, to climb a number of peaks, and to survey hitherto unmapped mountain country. He has gathered the best of his impressions and pictures in a book which ranks with the best produced about the Alps or the Himalayas. This is the first book for some time on the Rockies, of which it gives a remarkably vivid picture.

THE MAN-EATING LEOPARD OF RUDRAPRAYAG, by Jim Corbett. Published by Oxford University Press. Price, $2.75.

This is the story of the most publicized jungle animal that ever lived. In his best-selling "Man-Eaters of Kumaon," Jim Corbett told of his battles with man-eating tigers. In this book he tells a sustained and climactic story of his hard-won battle with a single leopard—a leopard that during its eight-year career killed, according to the official government record, 125 human beings.

Sport

THE NINE BAD SHOTS OF GOLF: and what to do about them, by Jim Dante, Leo Diegel and Len Elliott. Published by McGraw-Hill of Canada, Toronto. Illustrated with photographs and drawings. Price $2.50.

Jim Dante says there are only nine bad shots in golf, and he can prove it. Not only that, but he claims he can show any golfer how to avoid those bad shots and how to make every shot count toward a better game. This book is the kind of golf talk anyone can understand and profit by. The record of this book's effect on hundreds of American readers' golf scores is reported to be an extraordinary one. The authors hope this new edition for Canada will have the same effect on Canadian golfers.

FISHING, by George Clifford, illustrated by Bernard Venables. Published by Oxford University Press, Toronto. 160 pages. Price $1.50.

An introductory text on fishing, on how to choose tackle and keep it in good order, what bait to use, and the tactics needed to catch every variety of fish in British lakes, rivers and coastal waters.

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First Full Story of Facts Behind Blackout Now Plaguing Southern Ontario Industry

(Continued from page 15)

could proceed. It is said to be unaffected by the Drew-Duplessis "caveat." Such a reservation even though initialled by the two premiers, is said to have effect only when translated into legislation.

Here Are Other Questions

Now let's look at some other considerations.

The war ended in victory. Since then, postwar economic actualities have disproved the gloomy predictions about recession. Put together, those facts make it quite clear to the observer today that starting the Des Joachims projects in 1943, or as soon after as possible, would have been a proper thing to do. This would have eased, or might have eliminated, Hydro's present troubles.

But an honest question to ask is:

Would any other set of men in Hydro or provincial government — in the circumstances of wartime 1943 — have pressed for action **then** on a project like Des Joachims?

No one today can answer this completely. Certainly the burst of activity and seeming urgency prior to the agreement with Quebec, died down in 1943.

Was it because of war?

Was it because of the political controversy over the agreement?

Was it because competent authorities honestly thought there would be a postwar depression which would bring demand and supply into line?

There probably isn't any one answer. All these considerations doubtless had some influence.

Supplies Hopeless or Priority?

Next question. Assuming the responsible authorities had decided, regardless of the war, to proceed at once with a major new power project, could they have got the necessary men, materials and equiment?

Here again, any answer in 1948 is conjectural.

One side can say that it would be "impossible" to get the steel, the turbines, the cement, lumber and manpower at the height of a desperate war; that even a war board authorization for the rationed and scarce materials would have been worthless since the materials and manpower simply weren't available. This side now points out that even yet the nation is short of steel; that millions of dollars worth, even now, must be imported from U. S. for Des Joachims.

On the other side, it is contended that Hydro projects, throughout the war, always held top priority in war planning. And Ontario Hydro did get such priorities for some of its war-emergency projects like Decew and Barrett Chute.

But each project was considered on its merits. Whether priorities and allocations for a big project like Des Joachims would have been forthcoming it is not now possible to be certain.

Anyhow, the simple fact is this: that at no time did the Hydro Commission ask a specific priority for Des Joachims.

Another question: Did the Ontario Government overrule a decision of the Hydro officials to request a priority?

There is no evidence to that effect. Mr. Drew has declared that at no time did his Government ever reject any recommendation of Hydro officials.

Let's look next at the Ontario demand and supply picture.

Throughout the war, the Ontario power load (primary peak demand) hovered around the two-million horsepower mark. Through wartime restrictions, estimated to have saved about 250,000 horsepower and through emergency measures such as an extra diversion at Niagara, the system was kept precariously in balance, with no reserve.

The chief hope seems to have been that at war's end, demand would decline and Hydro would be able to "buy time."

Engineers Restive in 1944

By 1944, Hydro engineers were clearly restive about the Commission's long-term position. Official reports to this effect were said to have been transmitted to the Government. But Dr. Hogg, as chairman, made no public issue of the matter. There was no apparent sense of urgency; no evidence that Hydro felt it was sitting on a hot spot.

In September, 1945, Mr. Drew took official steps to get some action on the Ottawa River. Having despatched Mr. Challies and Mr. Frost to Quebec, he wrote Mr. Duplessis that work at Des Joachims "had become urgently necessary because of the power situation which we now face in Ontario."

The green light was given in November, 1945. Contracts for turbines were placed 16 months later. Present plans call for the first units to come into production in midsummer, 1950. This is said by Hydro engineers to be the nearest date at which power can be delivered under present-day conditions. An earlier target called for completion in 1951.

A question seems appropriate here: Could there have been greater urgency and despatch during this period?

Almost certainly—yes. A big utility such as B. C. Electric faced somewhat similar problems in this period; was apparently able to move with tremendous speed to avert a shortage. It now has power to export, via an emergency tunnel it built to provide temporary imports.

It is also argued that an earlier start to introduce large-scale steam plants into the Hydro system might have been made.

Against this, it is pointed out that 1945 and 1946 were years of coal and oil crisis. Also, steam turbines are not made here; would have to have been bought in U. K. or U. S. Final decision to launch a major steam project at Windsor (160,000 horsepower) was made in 1947.

1946 The Crucial Year

It was 1946 which knocked the Hydro planners for a loop. And no wonder.

Look at the statistics.

In the 20-year period, 1916-1936, the demand for power in Southern Ontario increased by 45,000 horsepower annually. This included the temporary slump of the depression thirties. In the next decade, 1936 to 1946, the annual rate of growth was nearer 100,000 horsepower each year.

Up until 1945, it could have been argued that much of this phenomenal rise was due to war expansion.

But in the 12 months ending December, 1946, the primary peak demand in the Southern Ontario system soared 307,000 horsepower — a leap of 14.4%.

The Commission had actually started that year with a small deficit (in terms of dependable peak capacity) of 57,000 horsepower. By the end of 1946, this had skyrocketed to 300,000 horsepower, despite a net addition to the Commission's resources of 50,000 horsepower during the year.

The need was for drastic, immediate action, as well as long-run projects. Thus the Commission turned to three "quickies": a second unit at Decew (72,000 horsepower); an 80,000 horsepower development at Stewartville; a 30,000 horsepower changeover at Polymer.

In all, the system has been enlarged, since the war, by 240,000 horsepower. This includes extra purchases and stepups in existing capacity.

But these additions failed to keep pace with the peak load.

In Three Years 37% Gain

On top of a 307,000 hp. increase in 1946, the 1947 peak shot up a further 220,000 hp. Had it not been for the present restrictions, a further leap of 148,000 hp. was projected for 1948. In three years, the gain in peak demand was 777,000 hp. or 37%.

The over-all "deficiency," on the basis of primary peak demands and dependable peak capacity, rose at the end of 1947 to 394,000 hp.

Not only did a supposed postwar depression fail to materialize, but the full economic impact of Ontario's famed "cheap power" came home to roost.

The cheap power factor requires explanation.

The Southern Ontario of 1946-48 is a place where 3½ million Canadians are currently enjoying the greatest boom in their history. Over-all income, which for the entire province was about $1.6 billions in 1938, had soared in 1947 to $4.1 billions.

Family allowances, high farm prices and full employment had spread prosperity to every hamlet and sideroad. Labor income and living costs had soared phenomenally.

Almost alone in this inflationary world was the commodity called electric energy as dispensed by the Ontario Hydro Electric Power Commission in continuing at old prices.

In its last annual report, the Commission boasted that 98% of its service to domestic consumers was sold at a rate of 1.5c or less per kilowatt hour. The average cost to 97% of all commercial customers was quoted as 1.9c or less per kilowatt hour.

The Rush for Power

If you accept the calculation that one kilowatt hour of electric energy will do the work that one man can do in 10 hours, you see at once why industry, commerce and housewives were flocking to transfer every possible labor onto the shoulders of this incredibly inexpensive genii.

These were the tidal waves which engulfed Hydro when the war ended and when its reserves were exhausted.

Added to this crisis came the disaster of low water on the Ottawa and Gatineau systems in 1948.

How much of today's trouble can be credited to low water?

One answer is this: that 90% of the deficiency in mid-November, represented energy lost because of low water.

But that figure is misleading; fails to tell the whole story.

The demand for power piles up in daily as well as monthly peaks. Even if there had been no drought, the system would have trouble meeting its daytime "peak" this winter; could only have done so by cutting back "interruptible" users and "programming" others. With the drought, it wasn't even able to meet its "average" load, hour by hour.

Chairman Saunders of the OHEPC overlooked this vital fact when he contended recently at Ottawa that Hydro's plight was entirely due to drought.

He compared power supply in Southern Ontario in November with consumer demand on September 7. He admitted there would be a seasonal increase in the two-month interval, but argued that since the Canadian National Exhibition was in full swing on September 7, "this load would make up for the seasonal increase."

Such a comparison is also misleading.

Shifting Peak Not Enough

The rule-of-thumb calculation is that the peak of winter power demand in Southern Ontario is usually 20% greater than the amount of power used during the CNE. As days get shorter, the demands on the Hydro system steadily increase until they reach a normal seasonal peak the week before Christmas.

In the war it was only the peak demand, at say five o'clock, that was of concern. By shifting clocks that peak was eased; people turned lights and motors on in the early morning instead.

This winter it wouldn't be enough merely to shift the load from evening back to morning. There isn't enough energy for the "average" load, even if the peak were smoothed out.

During November, the commission has had to slash cruelly into its one remaining "cushion" — the supply of interruptible power to big electro-chemical and electrometallurgic industry in the Niagara peninsula.

These customers are supplied directly by OHEPC; not through a member municipality. They are the industries which take the rap, if municipalities don't keep within their quotas. Most of their power is purchased on an "interruptible" basis. This means that within certain limits, the OHEPC can pull the switches at any time.

In normal times, the maximum cut these firms can take without injuring their production is about 1.5 million kilowatt hours per weekday. Last months they were taking cuts of almost twice that amount — cuts which over an entire week, averaged as high as 30%.

This unprecedented slashing of Hydro's interruptible contracts, means that even with all the effort at restriction and curtailment, the margin between operation and a breakdown in the system had become ominously small during November.

What will happen during December, as the normal peak approaches, will depend largely on water levels in the Ottawa and Gatineau and on ability to avoid special hazards such as breakdowns, etc.

How Long Will It Last?

How long will Hydro's power crisis last?

The answer depends partly on water levels; partly on what engineers call "load factor." (A 100% load factor would mean that the demand for electricity was so great as to require water to be put through the turbines at their full capacity, 24 hours a day.)

It is the high "load factor" throughout the working hours of the day that aggravates the present high gap between "peak" demand and supply. If this load factor were to ease off in the near future for any reason — a depression, for example — there could be rapid relief, even though Hydro would still be short of power to meet its peak loads.

An answer to what is ahead for Ontario customers also depends on whether you are a householder, a farmer, a small businessman or a large industrial establishment.

Next winter, with restored water supply, the present blackout schedule for households and municipal customers could be lifted entirely, it is contended.

But unless load factor fell back, the system would still have the desperate problem of wrestling with its peak "deficiencies"; would still have to allocate and ration industry, promote voluntary restrictions and conservation, etc.

By 1950 (when the first unit of Des Joachims is due) the situation should be further improved. But again, a high load factor, plus even a "normal" increase in demand for new capacity, would require continued conservation, "programming," etc.

This condition may not be wholly cleared up much short of 1953 — assuming load factor continues at anything like the present high rate.

This means that present or potential users of interruptible power will continue to be first-line reserve for some time to come. It means careful weighing of requests from new industrial users such as the proposed new electrolytic steel plant at Hamilton, reputed to require a block of 35,000 to 45,000 hp.

Chief hope for such enterprises is that they could probably not be constructed in less than two or more years. By that time the picture may have changed considerably.

No Answer Till Next Fall

As to farm and rural service, this is a direct responsibility of the Commission itself. Here the argument put forward is that a farmer is just as entitled to electric service as is the city dweller who builds a new house and expects to have it wired for electricity.

In its last annual report (year ending Oct. 31, 1947) the Commission reported close to 200,000 rural consumers served by 24,400 miles of rural line and taking a peak of nearly 200,000 hp. in October, 1947. Since then, in 1948, 29,000 new customers have been served and 3,500 miles of primary line have been built. There is no indication that the Commission intends to slow up its rural expansion at the present time. That decision won't be made until the 1950 season is closer at hand. Meanwhile, rural customers are merely subject to voluntary requests for conservation.

Not until next September or October, at the earliest, will it be possible to make a better estimate of what lies ahead for Ontario power users.

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Brokers Guard Stocks You Never See

TSE Regulations Protect Customers' Safekeeping Accounts

By W. L. DACK

More and more Canadians are trading on the stock market without anything to show for it — either profits or stocks. The ding-dong action of postwar markets has produced a lot of stock but few millionaires; more and more of this stock is winding up in the safekeeping of brokerage houses, where clients never see it.

Today only a little more than half the Canadians actively trading in the market ever see the "color" of their stock. The rest leave their certificates with their broker. Those on margin accounts have to, but the proportion of those with fully paid up stock — and this is currently at near record levels — is at a new high and steadily growing.

This was revealed by a Financial Post survey of representative brokerage houses specializing in industrial oil and mining stocks. The survey showed that of all stocks purchased and fully paid for (including inactive accounts) at least 25% are left in safekeeping with the broker.

This situation raises many questions in the minds of investors, particularly those who can recall the early 1930's.

What happens to customer's fully paid up stock in the brokerage house in the event the brokerage house goes bankrupt?

When properly segregated and maintained "in trust," creditors cannot make claims against these stocks.

What are stock exchange regulations regarding customer's safekeeping accounts?

Section 15 of bylaw 30 of the Toronto Stock Exchange says: "Subject to any special agreement with the customer, all stocks and securities of a customer fully paid for and not subject to any lien or charge in favor of member or member firm shall be segregated and distinguished as held in trust for the customer owning same, and shall at all times be kept available for such customers on demand."

Have there been any recent cases of infractions of these rules?

No. But in the early 1930's, there were cases where customer's securities were illegally pledged with the banks or trust companies for loan purposes. In all such cases the courts held that if the bank loan could be paid off without selling the illegally pledged securities, the securities must be returned to the rightful owners despite bankruptcy of the brokerage firm. If the stocks had to be liquidated to meet bank's loan fully, then the owner would rank only as an ordinary creditor.

Has anything been done in recent years to further protect customer's interests?

Regulations governing firms of Canadian stock exchanges are much more stringent now than they were in the early 1930's. The Toronto Stock Exchange, for instance, not only demands that member firms have sufficient capital to cover unsecured position with their clients and partners but also require that the capital be sufficient to cover any deficiency in the required margins of client's and partner's accounts. Demanded as well is a further capital requirement of 5% of trading volume.

What is meant by "surprise audit"?

The Toronto Stock Exchange requires two audits from member firms every year — the regular March 31 audit and a surprise questionnaire audit which may be called at any time between three and nine months following the March audit. The surprise factor is designed to keep member firms "toeing the line" for at least nine months of the year. The audit questionnaire is drawn up by an outside auditor retained by the stock exchange. When completed, the questionnaire is returned to this auditor.

What can the stock exchange do to make a member firm meet its requirements?

If a particular brokerage firm is found to be undermargined, it is given a short period (usually 10 to 30 days) to bring its accounts up to required specifications. A day to day check by the stock exchange auditor is called for and the member firm is required to accept only cash business in the interval or to liquidate some of its margin accounts. The firm may be given the option of doing this or bringing more capital into the company. In every case where this has occurred so far — and it **has** occurred — the brokerage firm has been able to meet the requirements in the specified time. If the firm was not able to meet the requirements the Exchange would suspend the firm.

What happens to customer's margined stocks in the event of a brokerage house failure?

When a customer buys stock on margin, he automatically gives the broker, or member firm, the authority to pledge these stocks on loans. (In most cases the customer is obliged to sign a card giving this authority when opening a margin account.) In event the brokerage house fails and these stocks have been used as collateral, the stocks may be liquidated to meet preferred creditors' claims. The client again would rank as an ordinary creditor participating only in assets left after preferred creditors' claims had been met.

What bonds are posted by brokerage house officials and employees and what measure of customer security do these provide?

There is a variety of bonding arrangements made by brokerage officials and employees but all of these are made with a view to covering possible loss of stock through fire, theft, ordinary loss, counterfeiting. They would not offer any customer protection against bankruptcy, except where bankruptcy was brought about through any of above cases.

The Toronto Stock Exchange now has a survey under way in respect to broker's "blanket" bonds. The survey has two purposes:

1. To establish a set minimum amount which each member firm must carry at all times.
2. To see what possibility there is of a group broker's blanket bond which would cover all member firms and possibly cover all other firms of Canadian stock exchanges.

The idea is not so much to provide a reduced premium as to assume standard uniform fully protected coverage. It is believed that if a group policy of this nature materializes it would afford further protection to the public in that it would obviate the danger of brokerage house failures through theft, fire, counterfeiting, etc.

What is the brokerage house attitude toward customer safekeeping accounts?

In the eyes of brokerage house officials, safekeeping accounts are a headache. The stocks in these accounts have to be counted twice a year for audit purposes and in the case of dividend paying stocks — when the certificates are in the form of street certificates and in another brokerage house's name — the stock must be transferred either into the owner's name or into the name of the brokerage firm maintaining the safekeeping account. This is done, of course, to get the dividend. Letters must go out to customers every time a dividend is received for his account.

What interest do brokerage houses charge on debit — or margin — accounts?

The rate currently being charged by most firms is 5%.

What interest do brokerage firms pay on credit balances?

The rate currently being paid by most firms is 3%. The rates and terms, however, are very often worked out individually and may vary from firm to firm. One firm may pay 3% on any credit balance over 30c; another only on credit balances over $500 and this only when the credit has remained a specified length of time.

What interest rate do banks charge brokerage firms on loans when stock is used as collateral?

These are called "call loans" and the average rate is 4%.

What type of stocks make up the biggest proportion of safekeeping accounts?

Stocks of mining and western oils companies selling under $1 a share. These are speculative type stocks and in the majority of cases the trader is in them for a short turn. Rather than go to the bother of taking delivery from the broker and transfer them to his safety deposit box in the bank — when he intends to hold them only for a short period anyway — the trader leaves them with the broker. It happens in more cases than not, however, that the trader fails to get his price, the stock either moving in a very narrow range or falling. Human nature being what it is, the tendency in most cases is to hold on as long as one can in order to get an eventual profit. In the meantime the safekeeping account expands and the trader becomes more "tied in" on the market.

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What were Mount Royal shareholders offered on their stock when Cardy Corp. was organized? I have a client who claims he has to take quite a loss.

—

You do not state in your letter when your client purchased the stock of this company. However, a look at the per share earnings on the common stock from 1930 to 1940 inclusive would likely provide the answer to the question as to why he had suffered a loss on his investment. In each of the 11 years mentioned below, this company showed a deficit on its common stock as follows:

	Deficit per share
1930	$3.45
1931	4.71
1932	11.76
1933	14.64
1934	13.66
1935	12.51
1936	11.96
1937	12.07
1938	12.83
1939	11.64
1940	1.02

Under the terms of the organization of Cardy Corporation Ltd., shareholders of Mount Royal Hotel Co. received: $2.03 in cash; $6 principle amount of 5% convertible secured debentures due May 31, 1967; and one share of class A of Cardy Corp. Ltd. of $20 par value per share. Recently the 5% convertible security debentures were quoted in Montreal at $74 to $78 and the class A shares of Cardy Corp were quoted at $10.25 per share. Thus, on the basis of these quotations, a holder of one share of Mount Royal Hotel Co. common stock would get in cash the following: $2.03 plus $4.44 representing the market value of the debentures which he would hold, plus $10.25 representing the market value of one class A share of Cardy Corp. This makes a total cash value of $16.72. It would appear, therefore, that this figure could be taken as a basis for estimating the actual loss suffered by your client through his investment in Mount Royal Hotel Co. This figure is, of course, subject to whatever changes take place in the market value of the convertible debentures and the class A shares.

With respect to the hotel's business generally, the above deficit figures for Mount Royal Hotel Co. are believed to be fairly indicative of what was taking place in many other such companies in both Canada and the United States from 1930 to the war years. To realize a profitable operation hotelmen state that it is necessary to maintain a "high occupancy rate." Thus, during the war, hotels had an occupancy rate of 90% to 95%, compared to the 60% or less in prewar years. The Financial Post is informed that some hotels, even now, have dropped to about a 78% to 80% level.

Like all other service industries, the hotel business is directly affected by the general income level in the country. During prosperous years, there is the money available for travel, conventions, etc. During the depression years the hotel business suffered along with most other segments of the national economy.

MAYFAIR MINES advises that Willard Moreau has received an option on 600,000 shares at 15 to 25 cents. Authorized capital three million shares; issued 2,047,407; escrowed 900,000; filed Nov. 19.

OKALTA OILS n.p.v. shares have been removed from the trading list of the Toronto Stock Exchange and $1 par value shares listed in their place. Authorized and issued capital was changed from 1.8 million n.p.v. common shares to 1.8 million $1 par common shares.

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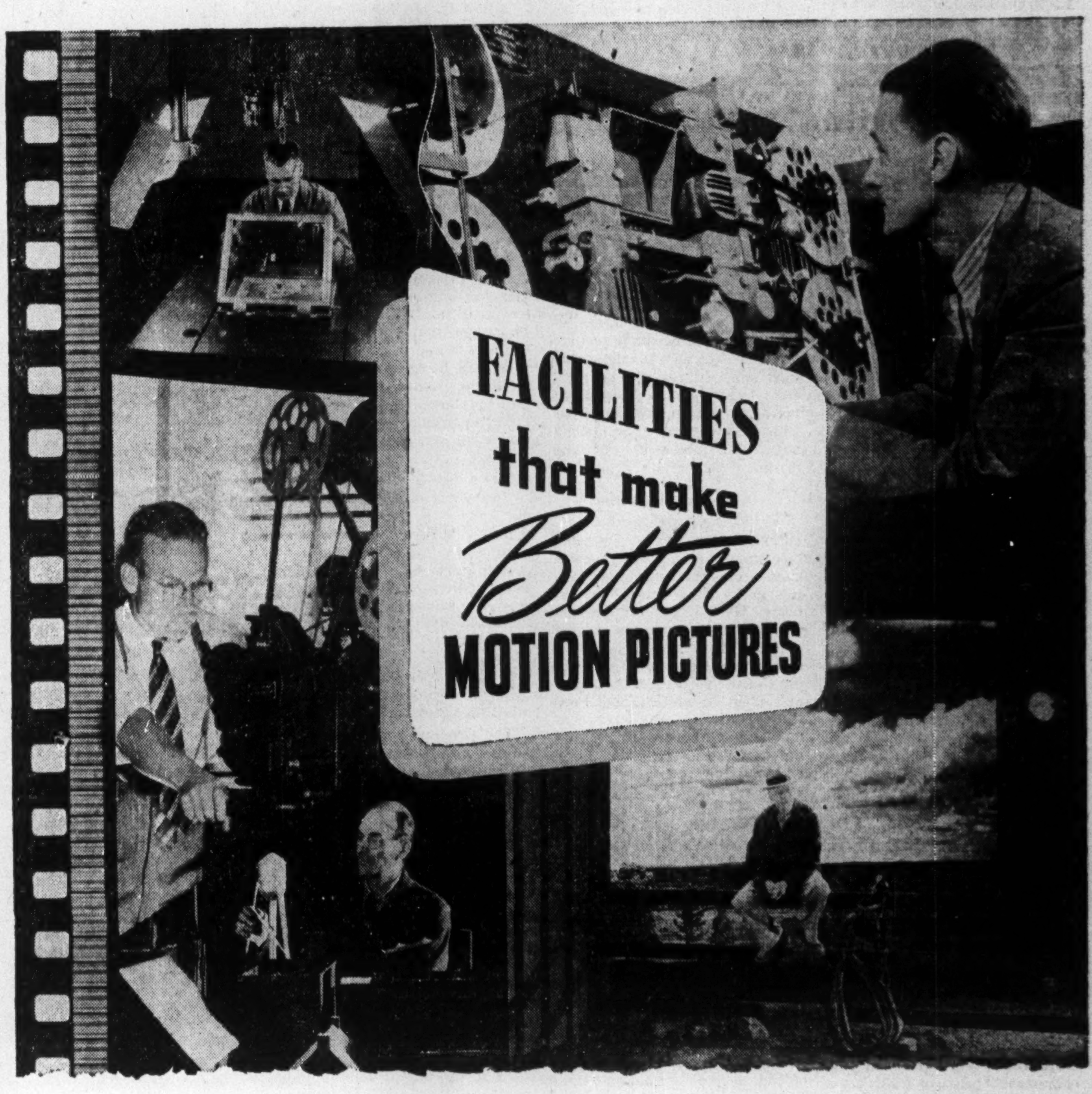

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Sees Real Hope of Re-Building Workable System of World Trade

But Stresses Vital Bearing of Defence and European Recovery—Emphasizes Importance of Keeping Economic Affairs in Good Order

H. D. Burns, President, Addresses the 117th Annual Meeting of The Bank of Nova Scotia

H. D. BURNS
President
The Bank of Nova Scotia

"THE YEAR now closing has been another year of great activity. Production has been even larger than in 1947. Industrial output has been running about 3% over last year's levels and the crops this year were considerably better than in the preceding season. Employment has been higher than ever before, breaking through the 5 million mark in the summer.

"During much of the year and in many parts of the business structure demands continued to outrun supplies with the result that prices and costs rose further. The official cost-of-living index is now about 60% over the pre-war level and the wholesale price index is about double pre-war. The Canadian price level has largely adjusted itself to the prices prevailing in external markets and particularly in the United States.

Capital Expansion Major Influence

"Of the various demands on our production during the year the strongest have been those for capital expansion and for housing. In 1948, investment expenditures, including those for housing, are officially estimated in round figures at the remarkable total of $3,000 millions. Last year, such expenditures amounted to about $2,400 millions. Though prices have been higher, there can be little doubt that the capital expansion program in physical terms has been even larger than in 1947, the former peak year.

"Export demands have also been heavy, particularly for basic foodstuffs and forest and mineral products. There has been a pronounced and most welcome increase in the value of Canadian exports to the United States. On the other hand, there have been serious reductions in our sales to overseas countries resulting from their drastic exchange and import restrictions.

"Consumer demand, supported by wage increases and higher farm income, has remained large. Canadians have spent considerably more dollars this year than last but, because of higher prices, the quantity of goods which they have obtained for their money has probably been less than in 1947, though of course far larger than at any time prior to the war.

Closer Balance in Business

"While 1948 has been another year of record-breaking activity, there has been growing evidence of a closer balance between demand and supply. There is no doubt that higher prices have checked consumer demand. Moreover, the accumulated requirements for such things as household appliances and furnishings have been reduced by the large production and sales of the last few years with the result that demand is now less urgent and more discriminating.

"The seemingly insatiable demands for our exports have also proven to have their limitations. As production has increased overseas — the needs of the countries concerned for Canadian goods have become less acute. Even the demand for food, great though it still remains, has become less urgent with the harvesting of better crops the world over, and the open-market prices of grains have declined from the extraordinary levels reached last winter.

Overseas Buying Restricted

"If this kind of natural readjustment were the only change in the export picture, there would be little reason for concern. Unfortunately, however, the problems of payment remain and, even with the vital assistance of the European Recovery Program, most overseas countries continue to be extremely short of dollars and are restricting their dollar expenditures accordingly. Britain, for example, has ceased to buy our apples and our canned salmon and has severely curtailed her purchases of our lumber, and the British Dominions and colonies have drastically restricted their purchases of Canadian manufactured goods.

"High demand from the United States and a strong domestic demand for goods going into capital expansion and housing have thus far eased the effect of these unfavourable developments. There has certainly been no general reduction in business activity. At the same time, the days of excessive demands on our production and of rapidly rising prices have — at least until recently — appeared to be numbered.

Effect of Defence Preparations

"Meanwhile, however, the needs of defence have increasingly influenced the economic picture, giving renewed support to the waning forces of expansion. Until Russia is ready to cease her present course of world-wide aggression, there is little doubt that defence outlays will be substantial. They have already been increased to some extent in the United States and this fact has had a significant influence on business conditions. Whether increased defence outlays will push the economy of the United States into a new inflationary upswing is difficult to say, for there are significant factors working in the other direction. It is clear, however, that they will help to sustain the national expenditure at a high level.

"Thus defence preparations, through their influence on business in the United States as well as through their direct impact on business in Canada, are likely to be an important sustaining factor in the Canadian picture. Nevertheless, it should not be assumed that such developments will sustain demand for all of our production or obviate the necessity of price reductions in some fields. It is not likely, for example, that enlarged defence outlays will do anything to improve overseas demand for some of our peacetime products. Nor does it follow that such expenditures will be sufficient to strengthen the demand for some of the civilian goods which have been encountering buyer resistance in the domestic market.

Outlook a Mixed One

"In other words, the business outlook is a mixed one, in some directions one of growing shortages and in others one of marketing problems overseas and at home. Were it not for defence considerations, one might express the view with some degree of confidence that we were close to the peak of the post-war inflationary movement. As matters stand, I believe we shall be well advised to maintain a questioning attitude in regard to the economic outlook, remembering that our business structure is now more vulnerable to any reaction that might occur in the United States and that we face difficult and perhaps increasing problems in overseas export markets.

Improved Exchange Position

"At this time last year, Canadians were concerned with our decidedly unfavourable exchange position brought home by the announcement of the exchange-saving program. In the interval there has been a welcome and substantial improvement in the official reserves of gold and U.S. dollars — from less than $500 millions late last year to $742 millions on June 23rd, the latest figure announced. Moreover, if the trade figures are any guide, the current amount may be considerably higher than the last published figure.

"This improvement results in part from the restrictions on our imports from the United States. In the first nine months of the year, such imports were $145 millions less than in the corresponding period of 1947.

Exports to U.S. Rise Sharply

"An even more important factor has been the remarkable increase in the value of our exports to the United States — an advance of over $300 millions in the first nine months of 1948. Higher prices for such products as pulp, newsprint and base metals account for much of the rise. But the volume of exports to that country has also been higher, the most striking development being the heavy shipments of beef cattle and beef following the removal of the embargo last August. Thus our deficit in commodity trade with the United States has been steadily decreasing and in September the trade returns actually showed a surplus. Though too much significance should not be attached to the returns for a single month, the trend has been decidedly encouraging.

E.R.P. Vital

"The other major factor which accounts for the improvement in our exchange position is the advent of the European Recovery Program with its provisions for off-shore purchases. Without the European Recovery Program our overseas customers would have been faced with almost impossible problems of payment. It is, indeed, difficult to imagine the chaotic and disastrous consequences which would have ensued had the United States not performed this unprecedented act of statesmanship and goodwill.

"Other developments have also contributed toward easing our U.S. dollar problem. Britain and other overseas countries have succeeded in raising very considerably their sales to Canada and this has reduced our need for certain imports from the United States. Nor should it be overlooked that the Dominion Government has borrowed to the extent of $150 millions in the United States.

Trading Problem Not Solved

"Encouraging as the improvement in our exchange position may be, it would be short-sighted to assume that our U.S. dollar problem is approaching solution. It is well to remember that we have improved our position in part by almost ceasing to sell on credit to Britain and other overseas customers whose ability to pay us is in turn heavily dependent on E.R.P. aid.

"In the interests of maintaining our exports as well as of contributing further toward European recovery, due consideration should be given to providing for some additional sales on credit when our exchange position has improved sufficiently to justify such a course. It would be unwise to rely too heavily on off-shore expenditures of E.R.P. funds, particularly as supply conditions in the United States improve.

"Our trading problem is not simply a question of balancing our receipts and outlays of U.S. dollars. Fundamentally, it is one of keeping overseas markets for export products for which we cannot expect to find adequate or lasting markets on this continent. Grain, part of our lumber, fish, and some manufactured goods, to mention a few examples, need overseas outlets if our productive capacity is to be used to advantage and if we are to maintain a high level of activity. Despite our recent success in expanding our exports to the United States, we can scarcely help being increasingly concerned as to the implications of the severe restrictions which overseas countries are applying to their dollar purchases.

European Recovery Still Primary Task

"I have no intention of presenting an alarming picture of the outlook for our overseas trade. Even in an upset world we shall continue to export some commodities to overseas countries on a large scale. Britain and certain other European countries have made substantial progress in restoring their production and trade and they have recently increased their shipments to Canada and to the United States. The European Recovery Program is providing the essential time to press ahead on their individual and joint plans of recovery. There is real hope of rebuilding a functioning system of world trade. But, at the same time, it should be recognized that there is still a long way to go before most overseas countries reach a position in which they are likely to ease their import and exchange restrictions.

Europe's War Losses

"It is perhaps difficult for us in Canada to appreciate the size of the task of reconstruction faced by most countries of Europe and Asia. The loss of capital has been staggering. Britain, for example, used up much of her foreign investments as a result of the war and she has to make good the loss of this income by producing more and by diverting a much larger share of her production for export. Most important of all has been loss of physical capital resulting from the war. Worn-out, inadequate, and obsolete plant is western Europe's greatest economic handicap and accounts for much of the low productivity which is so frequently discussed. While the immediate post-war task of repair work is largely completed in the Allied countries, the much greater job of modernizing and adding to physical capital has only begun.

Must Defend Our Way of Life

"Our interest in European recovery is not simply a matter of keeping markets, important as that is. It is a much broader interest than that, involving our hopes of peace and of the building of a workable international system. Weakness and internal dissension in western Europe invite Russian aggression. That is one of the main reasons why Russia is so actively combating the European Recovery Program. Until the countries of western Europe, working together and aided by this continent, succeed in establishing satisfactory and orderly economic conditions and a greater degree of political unity, there is little prospect that the Russian pressure will subside.

"In these circumstances, it is particularly important that we on this continent endeavour to keep our affairs in good order so that we may play our full part in world recovery and in defence of the way of living which emphasizes the rights and worth of the individual. Preparations for defence in Canada as in the United States will naturally tend to prolong inflationary pressures at least in some directions. More money will be needed and, though taxes remain high, no great relief in the burden of taxation should be expected. It is a fact that we cannot enjoy the full fruits of peacetime prosperity in an unsettled world.

Virtue of Thrift

"There are, however, a number of ways in which Canadians can contribute toward more stable economic conditions. One of them I should like to emphasize — that is the practice of the old-fashioned virtue of thrift. Our standard of living is high by any past comparison and there are many citizens who are in a position to increase their savings. From a national point of view, increased saving would be most helpful at this time and from an individual point of view it provides protection for the rainy day that is bound to come and is an excellent personal discipline. The man or woman who saves something out of his or her current wages or salary develops a growing interest in the future of the country and is usually a better citizen for the restraint and self-discipline which saving requires.

Canada's Position Favorable

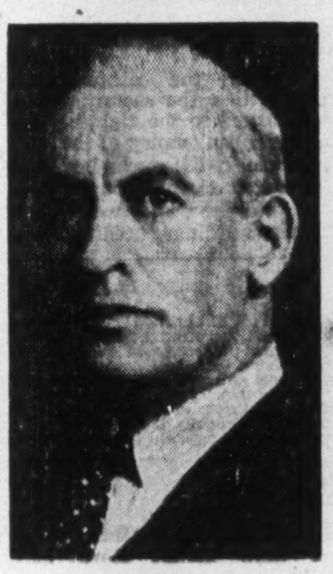
"If there are many problems and uncertainties in the outlook, we can be thankful for the favourable position which Canada enjoys — I believe more favourable than any other country with the exception of the United States. We produce, efficiently and in large volume, goods which the world needs. Food, wood, and minerals — there are no commodities more basic than these. In a world where population is increasing and natural resources are limited, we are well endowed and the discoveries of new oil fields in Alberta and of iron and other metals in Quebec clearly indicate that our resources are still far from fully developed. Moreover, we have modernized and extended our productive equipment in the last few years as well as converted wartime plants to peacetime needs. We have more machinery per worker and more fuel and power to work it than any other country except our southern neighbour. This is the basis of high production and high living standards. Added to these advantages, we live beside the richest and largest market in the world and enjoy excellent relations with the two great democracies of Britain and the United States. Canada is well equipped to face the future.

"We are a country of great resources and potentialities. Booms and recessions come and go and they may hasten or retard our development for the time being. But Canada is a growing country with enormous opportunities for further development. We must guard against the attitude of mind which seeks merely to protect the gains of the past—an attitude frequently to be found in more mature countries. We need more people and further expansion of our physical capital. The path of growth and expansion may not be an entirely smooth one but it is the only path which is in keeping with the temperament of Canadians, which leads to greater opportunity, and which offers the promise of higher and better standards of living."

Competitive Spur Essential To Responsive, Efficient Banking

H. L. Enman, General Manager of The Bank of Nova Scotia, Reviews Financial Position and Discusses Danger of Concentrated Power in Nationalized Banking.

"I doubt if it is as widely recognized as it should be that the business of banking is carefully regulated in the public interest. The sphere in which the chartered banks operate, the kind of business they do and may *not* do, the maximum rates which they may charge, as well as many other rules concerning their activities are laid down for them in The Bank Act. Moreover, these rules of banking conduct are carefully reviewed and may be revised and changed by Parliament when the bank charters automatically come up for renewal approximately once every ten years.



H. L. ENMAN
Vice-President and General Manager
The Bank of Nova Scotia

"There have been many devices worked out in various countries for the regulation of banking, but it is doubtful if there is any system that has worked so well over the years as that in Canada which assures continuity and provides for adaptation and improvement.

Monetary Controls

"In addition to this carefully considered book of rules — and it is a small book — the banks are continuously affected by the policies of the government-owned central bank — the Bank of Canada. The Bank of Canada is in a position to vary the amount of the cash reserves of the banking system and through this means to influence and control the total volume of bank credit.

"The central bank's influence extends beyond the mechanical means of controlling the volume of credit, which in times of high and expanding demand may be difficult to use for restrictive purposes because of the effects on interest rates and for other reasons. The Bank of Canada enjoys great prestige, as well as power, and its suggestions and advice to the chartered banks are taken seriously. More than that, the system of control works smoothly and effectively, for the chartered banks are equally concerned to serve the public interest as they have demonstrated on many occasions in recent years. These are facts which the advocates of nationalization in this country frequently fail to recognize.

Would Nationalization Serve Public Interest?

"I make no apologies in referring to this subject of nationalizing the chartered banks since it has recently been incorporated into the platform of a political party in this country. In my opinion the question is simply this: would the public interest be better served by a nationalized banking system than by the present type of system? Nationalization is surely not an end in itself. The whole idea makes no sense unless it can be shown that it will better serve the public interest.

"As I have noted, the banking system is carefully regulated by the provisions of The Bank Act and subject to basic control by the Bank of Canada. This method of regulation and control works well and can be adapted to changing circumstances and extended if necessary. Nationalization is not required to accomplish these purposes.

"It may, however, be claimed that nationalization would result in greater efficiency and better service to the public. I certainly would not claim that the chartered banks have achieved the ultimate in this respect though I think their record compares well with that of banks in other countries. Our Bank is constantly endeavouring to improve its efficiency and to better serve the public. That is our business. We have to be alert or some other bank will take our accounts away or our expenses will get out of line with our revenues.

Competition Promotes Efficiency

"Government ownership of the banks would replace the present competitive system with a monopoly — government-owned to be sure but still a monopoly. Monopolies are usually less responsive to the public interest because there is no one ready to take their business away from them if they do not function efficiently. We have yet to find a stronger incentive to efficiency than the spur of competition. And there is little to suggest in past experience that government monopolies are not subject to the same weaknesses as all other monopolies. Indeed, government monopolies are frequently inclined to be less responsive to the public need since they are not subject to the threat of government intervention and control. For these reasons, it is difficult to believe that a government-owned banking system would be as efficient or as responsive to the needs of the public as the present private competing system.

Nationalization Would Mean Monopoly

"To the businessman or the individual depositor and borrower, government ownership of the banking business would mean that there would be no alternative in the event that he did not like the service or the attitude of the bank with which he dealt. Though I do not like to admit it, we sometimes lose customers because they think they can get larger loans or better service from another bank, and the same thing applies to all the chartered banks. The risk of losing customers is always present and helps to keep us on our toes. But under a government monopoly of banking, the customer would simply have to take what service or treatment was forthcoming and like it. He might complain but he would have no alternative.

Menace of Concentrated Power

"So far I have not mentioned the political implications of government ownership of the banking system. It is the political danger, however, which overshadows all others. There is no doubt that government ownership of the banks would place tremendous power at the disposal of the political party which happened to be in office. The party in office might well be led by thoroughly honest and high-principled men who would be disinclined to abuse it. But the fact of enormous power would be there — power to withhold credit, power to interfere with the privacy of personal affairs, power to bring political opponents into line or even to ruin them, power enough indeed to undermine the democratic system and to perpetuate the political control of the party in power. The temptation to use such power would be great and ever present. Sooner or later it would be used, perhaps within limitations at first but used none the less. It is an old and true saying that power corrupts and that absolute power corrupts absolutely.

"I mention these points because I believe that there has been a good deal of half-baked propaganda concerning nationalization of banking. It is surely up to the advocates of nationalization here and elsewhere to explain just how it is proposed to use such a great concentration of power and, most important of all, how the rights of citizens would be protected in its use and from its abuse. This latter point takes a lot of explaining, for there is nothing in history nor in common sense to suggest that it can be done.

Immigration Helps Canada's Growth

"At the two preceding Annual Meetings, I have emphasized the importance of enlarging the human base of our economic structure through immigration. It is encouraging to observe that this year the flow of immigration has substantially increased. It is expected that well over 100,000 potential new citizens will enter Canada as compared with the 64,000 who came in last year. The newcomers have been a significant factor already in helping to meet the pressing need for more workers in such vital occupations as agriculture, forestry and mining and to some extent also in highly skilled trades. Business continues active and new opportunities for growth are continually arising, such as those in Alberta and north of the St. Lawrence, and it is earnestly to be hoped that immigration will continue on a large scale.

Bank Deposits Rising Again

"The high rate of business activity is clearly reflected in our Statement Our Deposits and Assets have again increased considerably and our Total Assets are now $750 millions in round figures, the highest in the Bank's long history.

"As the statement shows, our Deposits have increased by about $40 millions and at our year-end stood at $668 millions. This is a larger increase than that which occurred in the preceding fiscal year and is indicative of the strength of the expansive influences which have been apparent in the business structure. It follows the pattern of total bank deposits in Canada which, after levelling-off in 1947, have shown a renewed upward movement of considerable proportions this year. Rising bank deposits are, of course, usually regarded as a symptom of prosperity — and so they are up to a point. Nevertheless, it should be recognized that the increase this year is related to the further rise in the price level, to which Mr. Burns has referred, and should therefore be viewed with some reserve.

Less Rapid Increase in Current Loans

"Our loans rose again during the year by nearly $36 millions to a total of $293 millions. The rise, however, was considerably less marked than that of the previous year. Loans to provincial and municipal governments increased quite notably, and Call Loans in Canada also showed a material advance. But the major category of lending, our Current Loans in Canada, increased only moderately, from $192 millions to $201 millions.

"In view of the further rise in prices and the high state of business activity, this moderate increase, which is not greatly different from the experience of the banking system as a whole, may occasion some surprise.

"There are a number of explanations. In many businesses inventories had been replenished during 1946 and 1947 to satisfactory working levels. Probably the most significant explanation, however, is that the banks and the business community in general have been increasingly careful to guard against the dangers of an over-extended credit position. In times like these, this is a healthy sign, for there can be no doubt that some prices are unduly high and many businesses vulnerable to readjustment in their markets.

"The policy of our Bank in regard to lending has not changed. We are ready and anxious to make well-conceived loans for all reasonable purposes. But we must and we do exercise care in the interests of our depositors and we also believe that this is the best kind of lending policy in the interests of our borrowing customers.

"We have always endeavoured to be a reasonable and reliable lender watching for excesses in boom conditions and trying to avoid an unduly restrictive policy when times are more difficult.

Slight Increase in Bank Investments

"Our total investments are $298 millions, representing a rise of $8 millions as compared with a year ago. In our case, it is entirely the result of a moderate increase in holdings of Dominion Government securities, and the banking system as a whole has increased its holdings of such obligations. This is not a large change and would occasion little comment under more stable circumstances. However, it is in marked contrast to developments in 1947 when the banks' holdings of such securities were sharply reduced. As I pointed out at the annual meeting last December, the Dominion Government's budgetary surplus in 1947, though very substantial, was no more than enough to finance the credits which were being extended to Britain and other overseas countries. But large amounts of Canadian funds were coming into its hands from the sale of the official holdings of U.S. dollars and these funds were being used in part to retire bank-held debt.

Government Surplus and Demand for Capital

This year, the budgetary surplus has remained large and the use of credits by overseas countries has been much reduced. On the other hand, our exchange reserves have been increasing and funds have been required to pay for the larger holdings of U.S. dollars, even though part of the increase has been financed by a Dominion loan of $150 millions in the United States. On balance, however, there have been additional funds available for debt retirement and the Dominion has further reduced its net obligations to the public.

"At the same time there has been an enormous demand for funds in the private economy largely to finance expansion and improvement of our physical capital. To help meet this demand substantial amounts of government securities have been sold. The funds which the Dominion has been returning to the market through debt retirement have not been quite sufficient to absorb these sales and the banks have enlarged their holdings of government securities in taking up the slack.

"It is true, of course, that the monetary authorities could have chosen another course and permitted interest rates to rise further in the hope that higher rates would reduce the great demand for capital. The difficulties of such a course are apparent for it is highly questionable if a moderate further increase in the long-term rate on Dominion bonds together with corresponding increases in other rates would have had a deterring effect sufficient to balance demand and supply in the capital market, while a sharp increase would have been seriously disturbing in its general effects.

"I would not suggest, of course, that further increases can be ruled out. Much will depend on the extent of inflationary pressures and even more on developments in the United States. We cannot easily contemplate holding our structure of interest rates down if the trend in the United States is upward and official policy has, in fact, largely followed the U.S. pattern, notably in the adjustments made around the turn of the year.

Business in Caribbean Area

"Returning to the Bank's activities, a further substantial increase took place in our Current Loans abroad, which rose from about $35 millions a year ago to nearly $44 millions as shown in the present Statement. Business conditions in the Caribbean area have generally continued active, though here as elsewhere there has been some lessening in the intensity of the demand for primary exports. In some respects Canadian trade with this area has developed favourably. For example, our exports to Cuba, a dollar country, have increased substantially. Another healthy development has been the increase in our imports from Jamaica and most of the other British colonies. However, despite this increase in imports, the British West Indies as part of the sterling area has rigorously controlled its purchases from Canada and in a number of cases has ceased to buy Canadian goods because of the payments problem.

Personnel

"Our staff has increased again to a total of 4,208 men and women — an advance of 205 over the banking year. I repeat what I said last year — the staff, men and women, have been doing a first-rate job. In villages, towns and cities from coast to coast in this country, in Newfoundland, in the Caribbean area, and in New York and London are men and women working and working well in varied environments for The Bank of Nova Scotia. They are carrying on in the honourable traditions of fair-dealing and public service for which our Bank stands. Its good name, its strength, and its efficiency are the result of their combined efforts."

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Bank Montreal Moves Forward

Deposits at New High
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Liquid Position Strong

Annual report of the Bank of Montreal for the year ended Oct. 31 shows growth in all important items. Deposits established a new high level. Assets including loans and investments also were higher.

Net earnings were well maintained, net profits after the usual provision for contingencies, taxes and depreciation totaling $5,459,000, up $36,000 from the previous year. Profits before taxes or depreciation were $9.2 millions, ($10.1 millions in 1947), evidently reflecting the higher operating costs and an increased proportion of interest-bearing deposits.

Taxes were lower, but depreciation of premises was higher. After all deductions, net profits were equal to $1.52 a share, ($1.51 in 1947). Dividends for the year of 80 cents a share regular, and 20 cents extra, or $1 a share, total, took, $3,600,000, leaving surplus for the year of $1.8 millions.

INCOME ACCOUNT

Years Ended Oct. 31:	1948	1947
Net earnings	$9,178,501	$10,163,418
Less: Prov. for taxes	2,980,000	4,156,000
Res. for bk. premises	738,831	584,132
Net profit	5,459,670	5,423,285
Less: Dividends	3,600,000	3,600,000
Surplus for year	1,859,670	1,823,285
Earnings per Share and Dividend Record:		
Earned	$1.52	$1.51
Paid	1.00	1.00

Total resources, at $1,991 millions, were up $92.9 millions from 1947. Included in the assets were Government and other public securities now valued at $1,003 millions, an increase of $45 millions. Holdings of other bonds, debentures and stocks rose $32 millions. Commercial and other loans at the year end totaled $456 millions, about 8% over the previous year. As with other banks, relative stability in current loans undoubtedly reflects a more moderate use of additional bank credit this year than last, and greater caution of borrowers in making fresh commitments in the face of rising prices and costs.

During the year many millions of dollars were lent to business and industrial enterprises for production of every kind, to farmers, ranchers, lumbermen and fishermen and citizens generally, as well as to governmental bodies. Quickly realizable assets at almost $1.5 billions were $58 millions over 1947 and equivalent to 78.09% of the bank's liabilities to the public, (78.86% in 1947).

Deposits increased $94 millions to $1,877 millions, a new high.

CONDENSED STATEMENT

As at Oct. 31:	1948	1947
Cash on hand & due from banks	$245,134,980	$236,743,414
Notes & chqs. on other banks	81,474,361	103,721,669
Govt. & pub. secs.†	1,003,513,939	957,888,827
Other secs.†	129,037,999	96,866,538
Call loans	31,177,918	36,807,210
Quick assets	1,490,339,197	1,432,027,658
Loans	456,266,244	421,704,063
Bank prem.	15,391,605	13,276,623
Letters of credit	25,290,034	27,290,957
Other assets	4,093,568	4,106,004
Total assets	1,991,380,648	1,898,405,305
Circulation	4,244,517	4,783,548
Deposits	1,877,011,227	1,783,441,647
Letters of credit	25,290,033	27,290,957
Other liabs.	1,895,630	1,809,582
Total liabs. to public	1,908,441,407	1,817,325,734
Reserve	44,000,000	44,000,000
Capital	36,000,000	26,000,000
Surplus	2,939,241	1,079,571
Total liabs. to shareholders	82,939,241	81,079,571

†At not above market value.

BANK OF CANADA

	Nov. 24 1948	Nov. 17 1948
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,274,291,871	1,282,964,139
Deposits: Dom.	100,631,263	108,401,304
Chart. banks	564,315,666	559,401,304
Other	75,250,152	67,422,967
Total deposits	740,197,081	735,660,475
Liabs payable in sterling, U.S.A. and for'n gold currencies: Deposits	68,233	68,232
All other liabs.	29,334,361	38,096,717
Total liabs.	2,058,941,913	2,070,939,930
Assets		
Sterling & for'n exchange	68,233	68,232
Other currencies	65,786	58,821
Total	134,019	126,054
Subsid. coin	139,607	108,113
Investments: Dom. govt shs.	1,214,613,009	1,216,079,418
Oth. Dom. govt.	795,885,865	795,935,428
Total invest.	2,010,498,874	2,012,014,846
Total share cap. at cost	25,000,000	25,000,000
Premises	2,515,387	2,487,706
All other assets	20,654,026	31,203,217
Total assets	2,058,941,913	2,070,939,930

CHARLES H. CHAYTOR

has been appointed general manager of Canadian International Travel & Tours Co., Toronto.

Old Virtue of Thrift Is Urged by H. D. Burns

Exchange Situation Improved But U. S. Dollar Problem Not Yet Solved, Says Bank President – European Recovery Seen Primary Task

Canada's interest in European recovery is not simply a matter of keeping markets but involves her hopes of peace, or building a workable international system, H. D. Burns, president of the Bank of Nova Scotia, told the annual meeting of the bank's shareholders at Halifax. Encouraging as the improvement in our exchange position may be, it would be shortsighted to assume that our U. S. dollar problem is nearing solution, he declared.

Here are extracts from his address.

At this time last year, Canadians were concerned with our decidedly unfavorable exchange position brought home by the announcement of the exchange-saving program. In the interval there has been a welcome and substantial improvement in the official reserves of gold and U. S. dollars—from less than $500 millions late last year to $742 millions on June 23, the latest figure announced.

Moreover, if the trade figures are any guide, the current amount may be considerably higher than the last published figure. This improvement results in part from restrictions on our imports from the United States . . . An even more important factor has been the remarkable increase in the value of our exports to the U. S. a rise of over $300 millions in the first nine months of 1948 . . . Our commodity deficit with the United States has been averaging slightly less than $30 millions a month this year, as against a deficit of $80 millions a month in the corresponding period of 1947.

The other major factor which accounts for the improvement in our exchange position is the advent of the European Recovery Program with its provisions for off-shore purchases. Nor should it be overlooked that the Dominion Government has borrowed $150 millions in the U. S.

In addition, a considerable amount of U. S. dollar exchange or its equivalent in needed imports is being obtained through certain capital transactions connected with oil exploration and development work in Alberta. There has been no general inflow of U. S. capital during the year, but the improved exchange position and the great opportunities of resource development are factors working toward a revival of American interest in Canadian investment opportunities.

U. S. Dollar Problem

Encouraging as the improvement in our exchange position may be, it would be short-sighted to assume that our U. S. dollar problem is approaching solution. It is well to remember that we have improved our postition in part by almost ceasing to sell on credit to Britain and other overseas customers whose ability to pay us is in turn heavily dependent on ERP aid. There remains $235 millions in the original credit to Britain which we have not been in a position to permit the British to use for some time, though we have continued to ship wheat and other foodstuffs to Britain at prices which have been considerably lower than those prevailing in world markets.

In the interests of maintaining our exports as well as of contributing further toward European recovery, due consideration should be given to providing for additional sales on credit when our exchange position has improved sufficiently to justify such a course. It would be unwise to rely too heavily on off-shore expenditures of ERP funds, particularly as supply conditions in the United States improve.

Despite our recent success in expanding our exports to the United States, we can scarcely help being increasingly concerned as to the implications of the severe restrictions which overseas countries are applying to their dollar purchases, nor can we fail to observe that their purchases would be further reduced were they able to obtain alternative supplies from countries with which they have less difficulty in settling their accounts.

Involves Hope of Peace

Our interest in European recovery is not simply a matter of keeping markets, important as that is. It is a much broader interest than that, involving our hopes of peace and of the building of a workable international system. Weakness and internal dissension in western Europe invite Russian aggression. That is one of the main reasons why Russia is so actively combatting the European Recovery Program. Until the countries of western Europe, working together and aided by this continent, succeed in establishing satisfactory and orderly economic conditions and a greater degree of political unity, there is little prospect that the Russian pressure will subside.

In these circumstances, it is particularly important that we on this continent endeavor to keep our affairs in good order so that we may play our full part in world recovery and in defense of the way of living which emphasizes the rights and worth of the individual. Preparations for defense in Canada as in the United States will naturally tend to prolong inflationary pressures at least in some directions. More money will be needed, and, though taxes remain high, no great relief in the burden of taxation should be expected. It is a fact that we cannot enjoy the full fruits of peacetime prosperity in an unsettled world. There are, however, a number of ways in which Canadians can contribute toward more stable economic conditions. One of them I should like to emphasize—that is the practice of the old-fashioned virtue of thrift.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN INDUSTRIAL ALCOHOL CO. net profit for the year ended Aug. 31, 1948, was off sharply from previous year only because of an extraordinary and nonrecurring profit of $3,906,154 in the year ended Aug. 31, 1947. Consolidated net profit from ordinary operations for this previous year was $1,574,446. Included in the latest year's profit figure was a profit of $133,616 from the subsidiary, Robert McNish & Co. During the year, $11,921 was received by the parent company from this subsidiary in Scotland. The previous year's earnings included a profit of $119,237 from Robert McNish & Co.

The company has just undertaken a modernization and rehabilitation program at its Corbyville plant, which includes erection of a continuous alcohol still. Cost of the program is estimated at approximate $350,000.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1948	1947
Net earnings	$3,337,697	$2,744,165
Less: Deprec.	74,107	67,342
Inc. tax res.	1,497,212	1,273,230
Add: Prof. on inv. & asset sale	22,393	170,853
Extraord. sales in Scotland	......	3,906,154
Net profit	1,788,771	5,480,600
Less: Dividends	1,111,916	1,111,916
Surplus for year	676,855	†4,368,684

†Before deducting $2,357,262 extraordinary divd., paid in 1948 out of profit on extraordinary sales in Scotland.

Earnings per Share and Dividend Record:		
"A" & "B"	$1.61	†$4.93
Paid	1.00 + *2.12	1.00

*Deducted from surplus in 1948, and paid Jan. 5, 1948, out of 1947 profit on extraordinary sales in Scotland.

†Comprising $1.42 (incl. 15c from capital gains) from ordinary operations, and $3.51 from prof. on extraord. sales in Scotland.

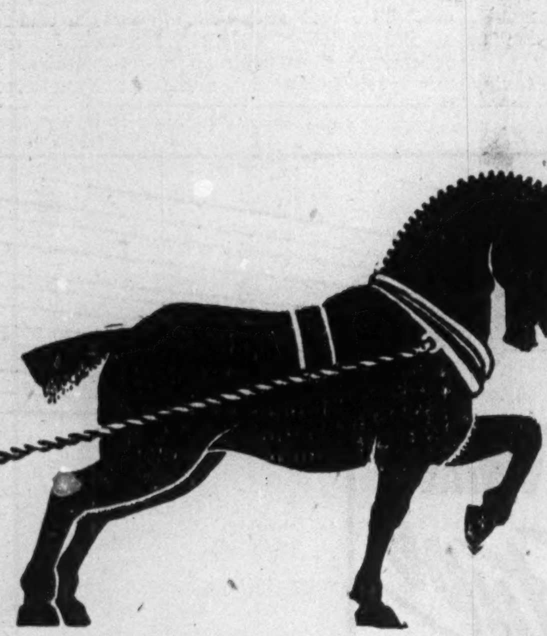
CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1948	1947
Cash	$1,845,729	$4,470,445
Investments†	2,176,937	2,456,323
Accts. rec.	549,264	1,672,602
Inventories	5,799,221	3,926,920
Total curr. assets	10,371,151	12,526,290
Prep. exp., etc.§	34,386	18,237
Ref. EPT	70,679	78,005
Fixed assets*	1,113,154	1,077,905
Total assets	11,589,370	13,700,437
Total curr. liab.	1,543,166	1,972,607
Conting., etc., res.	626,034	627,253
Capital stock	3,986,442	3,986,442
Surplus▲	‡5,433,728	7,114,135
*After depr. of	3,324,406	3,258,154
†Market value	2,217,075	2,459,575
▲Incl. ref. EPT	70,679	78,005

‡After deducting $2,357,262 extraordinary divd.

§Included in curr. assets in co's. report.

Working capital	8,827,985	10,533,683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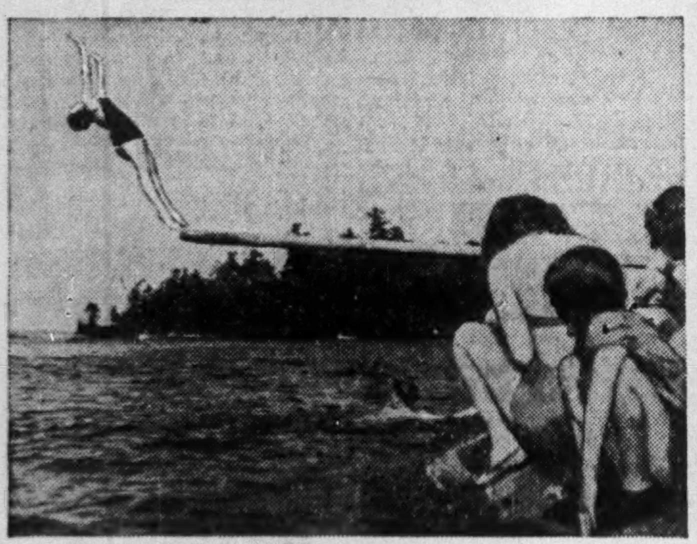

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Would One Dominion Act Clarify Succession Duty?

Why are succession duties levied in Canada, who pays them and what are their special features?

These are questions discussed by A. Roy Courtice in an address to the Canadian Tax Foundation at Ottawa. Mr. Courtice is assistant general manager of the Toronto General Trusts Corp.

Revenue is not the only purpose of succession duties; a substantial, if not primary motive is to discourage excessive concentration of wealth and control in the hands of a few, he declared. Dominion succession duties in their present form combining both an estate tax and an inheritance tax, he finds complicated and unfair. Here is a digest of Mr. Courtice's address, dealing with the principles of death duties and the taxing authorities in Canada.

There are only two basic principles of taxation with respect to estate property passing at death: an estate tax upon the right to give and an inheritance tax upon the right to receive.

The estate tax is levied against the whole estate. It is graduated entirely upon the size of the estate. No account is taken of who the beneficiaries are, how many there are, or in what amounts they take. The tax paid by the executor, is borne by the residuary beneficiaries. It fails substantially to take into consideration merits of particular beneficiaries. It is simple and inexpensive to administer.

The inheritance tax is levied against each bequest and is borne by the beneficiary. It is graduated not on what a decedent leaves, but on what the beneficiary receives. In addition, account may be taken of the relationship of the beneficiary to the decedent. It is a fairer basis of assessment than the estate tax. It is, however, complicated, difficult and expensive to administer, especially where the will provides for contingent future interests which may result in a long period of uncertainty after the decedent's death, leading to difficulties of valuation and collection.

The Dominion Act

In this discussion I give most of my attention to the Dominion Act. The Dominion Act is represented to be superior because it is a combination of estate and inheritance taxes. It is true it is a combination of the two basic principles of taxation, but they are combined in such a manner that they both lose their identity in the production of a hybrid. (At present succession duties in Canada are levied by the Dominion, Ontario and Quebec, the other provinces having withdrawn from the field, temporarily at least.)

In the Dominion Act there is, first, an initial rate which is graduated entirely by the size of the estate. This would be a straight estate tax if it were then deducted from the estate and paid by the executor. Secondly, there is an additional rate based on the value of the succession to each beneficiary and his relationship to the decedent. This would be a straight inheritance tax if it were applied as such; but the initial rate is added to the additional rate and the total is applied against each bequest.

The inequity of the estate tax is magnified by being applied, as it is here, against each individual bequest. In the same estate, the beneficiary of a $1,500 bequest is taxed at the same individual rate as the beneficiary of a $150,000 bequest. In different estates a friend who receives a $1,500 bequest will pay twice as much to get it from a $1 million estate as from a $100,000 estate. Neither is its administration simple, as the Dominion Act is administered with all the complications of the inheritance tax.

Although in drafting the Dominion Act some 15 taxing statutes of other jurisdictions were used, it would appear that the Dominion took the Ontario Act as its principal model; but in trying to improve upon it made it more complicated.

Foreign Comment

The only foreign comment which I have found on our Dominion Act is in a tax article by Harry Rudick, professor of law at New York University. In discussing the weaknesses of the estate and inheritance taxes he refers to the Dominion Succession Duty Act which he says as a compromise suffers from the deficiencies of both the other two.

The keynote of the estate tax is its simplicity, and of the inheritance tax, its fairness. By combining them as we have done, we have lost the inherent advantages of both principles, and multiplied their disadvantages. It is neither simple to administer nor equitable to the taxpayer. I submit that on every count and by every test, there is nothing to justify the Dominion Succession Duty Act being continued in its present form.

If the Foundation should consider that this is a fair appraisal of the underlying principles of the Dominion Act, what form of taxing act would you recommend in its place, assuming the Dominion to be the sole taxing authority?

Except for administrative difficulties and revenue limitations, the inheritance tax is, I believe, clearly superior to the estate tax. Where, however, life interests and contingent remainders are established by will, arbitrary rules of valuation and payment have to be adopted, which are not always satisfactory.

Hybrid Legislation Favored

In discussing the principles of taxation, I submitted that the Dominion Tax by itself is in principle unsatisfactory. When considered in conjunction with the administration of the present provincial acts, it is even more unsatisfactory. For some reason, Canada seems to have gone in for hybrid succession duty legislation. Ontario and Quebec also present further varieties of a combination of the two basic principles of taxation. They also are neither fish nor fowl. Constitutional reasons may be the answer for hybrid provincial legislation but this does not apply to the Dominion.

I am not in a position to discuss the Quebec Act, but the dual administration of the Ontario and Dominion acts is most unreasonable and results in confusion, expense and delay. Although they are both hybrids, the two acts have a different approach in many respects, such as to classes of beneficiaries, exemptions, deductions, gifts inter vivos, life and remainder interests, mortality tables, interest rates, joint ownership, bases of valuation and rates of tax.

The only possible relief from this is for one of the Acts to be withdrawn or changed to a straight estate tax. In other countries, where an estate becomes subject to two taxing Acts, they apply different principles of taxation and one Act is dominant while the other is subservient. Here, however, we have two Acts similar in principle but differing in practice, both of which are trying to dominate. In 1946 Ontario collected $14,500,000 in succession duties while the Dominion collected $23,500,000 in the whole of Canada. In Ontario more succession duties were collected by Ontario than by the Dominion.

Deduct Estate Tax First

If we must be subject to two taxing Acts, one of them I repeat, should be an estate tax and should be deducted first, so that the inheritance tax will then apply only to what remains and is actually passing to the beneficiaries. This would eliminate another inequity, where the estate is made liable for the tax and the Dominion levies its succession duty on the duty payable to Ontario, and Ontario politely reciprocates by levying its succession duty on the duty payable to the Dominion.

There are good reasons, I believe, why the provinces are in a better position to administer an inheritance tax than the Dominion. Inheritance by will or intestacy is regulated by provincial law, and the provinces have had a long experience in this field. If, therefore, Ontario and Quebec continue to levy a form of inheritance tax and with the possibility of other provinces reentering this field, I think the Dominion should adopt an estate tax. Furthermore, it is doubtful if the provinces could levy an estate tax. It has been held in the United States that the federal estate tax is an excise imposed upon the transfer of property at death and is an indirect tax.

If, however, each province should have but one taxing authority in this particular field, should this be the provinces or the Dominion. There are no doubt good provincial arguments to be considered, but there is much to be said for Dominion jurisdiction.

Although domicile, which determines the law of inheritance, is a provincial matter, creation of an estate is not limited to provincial boundries of local enterprise. Many large estates in the wealthy provinces of Ontario, Quebec and British Columbia are extra-provincial in origin. Benefit from the tax on these estates does not, ethically, belong to any one province.

Many legal complexities are inherent in provincial acts by being limited to direct taxation within the province.

Eliminate Multiple Taxation

One Dominion Act would eliminate multiple taxation and facilitate the free flow of investment capital to any part of Canada. It would encourage a national outlook. Administration of succession duties and income tax by the same authority should be economical and present less opportunity for tax avoidance.

As the Dominion administers gift and income taxes, a most important consideration for Dominion jurisdiction is the opportunity to correlate these taxes with succession duties. Correlation is much more practical with an estate tax than with an inheritance tax.

The Dominion is better able to negotiate reciprocal tax arrangements with other countries.

Revenue from succession duties is of less concern to the Dominion than to a provincial budget.

Principal arguments against the Dominion are that the provinces are in a better position to administer succession duties and the undesirability of concentrating more wealth and power in the Federal Government. We have heard that "The power to tax is the power to destroy," but a monopoly of these duties would, add relatively little wealth to the central authority.

If there is to be but one taxing authority, the weight of argument, favors the Dominion, provided it can decentralize the mechanics and authority of the administration among local offices. If the Dominion wants this jurisdiction it should be prepared to provide an efficient administration across Canada. Estates should not be constantly put under additional expense and delay to have to deal with Ottawa. It is a long way from Vancouver to Ottawa.

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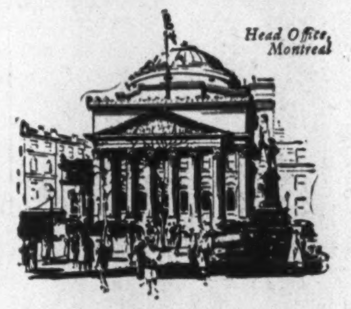

Head Office, Montreal

BANK OF MONTREAL

Founded in 1817

CONDENSED GENERAL STATEMENT

October 30th, 1948

ASSETS

Cash on hand and due from banks and bankers		$ 245,134,980.47
Notes of and cheques on other banks		81,474,360.58
Government and Other Public Securities (not exceeding market value)		1,003,513,939.08
Other Bonds, Debentures and Stocks (not exceeding market value)		129,037,998.89
Call Loans		31,177,918.00
		$1,490,339,197.02
Commercial and Other Loans		456,266,244.22
Bank Premises		15,391,604.71
Customers' Liability under Acceptances and Letters of Credit (as per contra)		25,290,033.58
Other Assets		4,093,568.54
		$1,991,380,648.07

LIABILITIES

Notes of the Bank in Circulation		$ 4,244,517.00
Deposits		1,877,011,226.85
Acceptances and Letters of Credit Outstanding		25,290,033.58
Other Liabilities		1,895,630.00
Capital	$36,000,000.00	
Rest or Reserve Fund	44,000,000.00	
Undivided Profits	2,939,240.64	82,939,240.64
		$1,991,380,648.07

PROFIT AND LOSS ACCOUNT

Profits for the year ended October 30th, 1948, after making provision of $738,831.29 for Depreciation of Bank Premises, Furniture and Equipment and an appropriation to Contingency Reserve, out of which full provision for Bad and Doubtful Debts has been made	$ 8,439,669.54
Provision for Dominion Income and Excess Profits Taxes, and Provincial Taxes	2,980,000.00
Leaving a Net Profit of	$ 5,459,669.54
Of this amount shareholders received or will receive	3,600,000.00
Amount carried forward	$ 1,859,669.54
Balance of Profit and Loss Account October 31st, 1947	1,079,571.10
Balance of Profit and Loss Account October 30th, 1948	$ 2,939,240.64

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R. G. IVEY, K.C.
J. V. R. PORTEOUS
JOHN A. MacAULAY, K.C.
GORDON C. LEITCH, C.B.E.
C. G. HEWARD, K.C.
D'ALTON C. COLEMAN, C.M.G.
G. E. BARBOUR
THE HON. LUCIEN MORAUD, K.C.
J. A. HUMBIRD
R. C. BERKINSHAW, C.B.E.
HENRY G. BIRKS
CHARLES J. BURCHELL, K.C.
R. E. STAVERT
GEORGE W. BOURKE

General Manager
GORDON R. BALL

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DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, number twenty-five King Street West, Toronto on Tuesday, the fourteenth day of December next.

The chair will be taken at eleven o'clock a.m., Eastern Standard time.

By order of the Board,

JAMES STEWART,
General Manager.

Toronto, 8th October 1948.

Proprietary Mines LIMITED

DIVIDEND NO. 44

NOTICE is hereby given that a Dividend of three cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on January 6th, 1949, to shareholders of record at the close of business on December 10th, 1948.

By Order of the Board.

J. INGRAM,
Secretary-Treasurer.

Toronto, Ont., November 24th, 1948.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of Fifteen cents (15c) per share for the quarter ending 31st December, 1948, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, payable 3rd January, 1949, to shareholders of record 6th December, 1948.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, November 22nd, 1948.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarters per cent (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st December, 1948, payable 15th January, 1949, to shareholders of record 15th December, 1948.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, November 22nd, 1948.

Belgium Glove & Hosiery Co. of Canada Ltd.

DIVIDEND NOTICE
Preferred Shares

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1¼% has been declared on the Preferred Shares of the Company, payable on January 3, 1949, to Shareholders of record at the close of business on December 14, 1948.

By Order of the Board.

J. ROOS,
Secretary-Treasurer.

Montreal, November 19, 1948.

Belgium Glove & Hosiery Co. of Canada Ltd.

DIVIDEND NOTICE
Common Shares

NOTICE IS HEREBY GIVEN that a dividend of 15c per share has been declared on the Common Shares of the Company, payable on January 3, 1949, to Shareholders of record at the close of business on December 14, 1948.

By Order of the Board.

J. ROOS,
Secretary-Treasurer.

Montreal, November 19, 1948

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable December 15th, 1948, to shareholders of record at close of business December 4th, 1948.

W. S. BARBER,
Secretary-Treasurer.

R. L. CRAIN LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of ten cents (10c) per share on the Capital Stock of the Company has been declared for the quarter ending December 31, 1948, payable on and after the third day of January, 1949, to holders of record at the close of business on the 15th day of December, 1948.

By Order of the Board.

HENRY R. NURRISH,
Secretary-Treasurer.

Dated at Ottawa this 24th day of November, 1948.

MONTREAL LOCOMOTIVE WORKS, LIMITED

DIVIDEND NO. 11

For the quarter ending December 31st, 1948, the Directors of Montreal Locomotive Works, Limited, increased the quarterly Dividend to thirty cents (30c) per share and declared a special year-end distribution of seventy cents (70c) per share, both payable on January 3rd, 1949, to shareholders of record at the close of business on December 3rd, 1948, subject to the approval of the Foreign Exchange Control Board.

CARL A. SUNDBERG,
Secretary.

November 23, 1948.

BURRARD DRY DOCK COMPANY LIMITED

NOTICE IS HEREBY GIVEN that a quarterly dividend of 11c per share on the Class "A" Shares of the Company has been declared for the quarter ending November 27th, 1948, payable on the 15th day of December, 1948, to shareholders on record at the close of business on the 27th day of November, 1948. The Transfer Books will not be closed.

By Order of the Board.

C. H. MORDY,
Secretary-Treasurer.

Vancouver, B.C.,
November 19th, 1948.

DIVIDEND NOTICES

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1948.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1948.

Notice is also hereby given that an extra dividend of One Dollar ($1.00) per share has been declared on the COMMON STOCK of the Company.

The above Dividends will be paid on Saturday, the 15th day of January, 1949, to shareholders of record at the close of business Tuesday, the 28th day of December, 1948.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 23rd November, 1948.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT, on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

MONDAY, THE THIRD DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1948.

By order of the Board.

J. W. ROSE, Jr.
Secretary.

TORONTO, November 17th, 1948.

COCHENOUR WILLANS GOLD MINES, LIMITED

(No Personal Liability)

DIVIDEND NOTICE
INTERIM DIVIDEND NO. 14

NOTICE IS HEREBY GIVEN that an interim dividend of four cents per share in Canadian funds has been declared in the issued capital stock of Cochenour Willans Gold Mines, Limited (No Personal Liability) and will be paid on the 29th day of December, 1948, to shareholders of record at the close of business on the 3rd day of December, 1948.

By Order of the Board,

G. M. HUYCKE,
Secretary.

Toronto, Ont., 24th November, 1948.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

NOTICE is hereby given that a quarterly dividend of Twenty-five Cents (25c) per share (being at the rate of $1.00 per share per annum) has been declared for the quarter ending December 31st, 1948, on all issued common shares of the Company, payable on Friday the 25th day of December, 1948, to shareholders of record at the close of business on Friday, the 10th day of December, 1948.

By Order of the Board,

N. G. BARROW,
Secretary.

TORONTO, November 23rd, 1948

QUEBEC POWER COMPANY

NOTICE is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ending December 31, 1948, payable February 25, 1949, to shareholders of record January 17, 1949.

By Order of the Board.

H. G. BUDDEN,
Secretary.

Montreal, November 23, 1948.

York Knitting Mills, Limited

DIVIDEND NOTICE

Notice is hereby given that the half-yearly dividend of 20c per share has been declared on Class A Shares of the Company payable December 31, 1948, to shareholders of record at the close of business on December 15, 1948.

By Order of the Board,

JOHN S. LEWIS,
Secretary.

Toronto, Ontario,
November 25, 1948.

Gatineau Power Company

Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares.

Quarterly dividends have been declared of $1.25 a share on the 5% Cumulative Preferred Shares, $1.38 a share on the 5½% Cumulative Preferred Shares and 30c a share on the Common Shares, in each case payable January 1, 1949, to holders of record at the close of business December 1, 1948. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

J. R. BINKS,
Secretary.

Montreal, Canada,
November 17, 1948.

CANADA WIRE & CABLE COMPANY

DIVIDEND NOTICE
CLASS "A" COMMON

The Directors of this Company today declared a dividend of $1.00 per share on the outstanding Class "A" Common Stock of the Company—payable on the 15th of December, 1948, to Shareholders of record November 30th, 1948.

CLASS "B" COMMON

The Directors also declared an interim dividend of 75c per share on the outstanding Class "B" Common Stock of the Company, payable on the 15th of December, 1948, to Shareholders of record 30th November, 1948.

By Order of the Board.

A. I. SIMMONS,
Secretary.

Toronto, November 19th, 1948.

DIVIDEND NOTICES

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A quarterly dividend of fifty cents on each share of $25.00 par value has been declared payable on the 15th day of January, 1949 to shareholders of record at the close of business on the 15th day of December, 1948.

MONTREAL,
Nov. 24, 1948

S. C. SCADDING,
Secretary

THE FOUNDATION COMPANY OF CANADA LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of thirty-five cents ($0.35) per share for the quarter ending December 31st, 1948, has been declared on the No Par Value Common Stock of the Company, payable January 20, 1949, to shareholders of record at the close of business on December 31, 1948.

By Order of the Board.

A. G. SULLIVAN,
Secretary.

Montreal,
November 24, 1948.

DIVIDEND NOTICE

The CRAIG BIT *Company Limited*

NOTICE IS HEREBY GIVEN that the half-yearly dividend of two and one-half per cent (2½%) upon the outstanding 5% cumulative redeemable preference shares of the Company will be payable on January 3, 1949, to shareholders of record at the close of business on December 20, 1948, and that a dividend of twenty-five cents (25c) per share, on the outstanding Common shares of the Company, will be payable February 1, 1949, to shareholders of record at the close of business on January 18, 1949.

By Order of the Board.

J. W. CHAPMAN, Secretary.

North Bay, Ontario,
November 20, 1948.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending December 31, 1948, has been declared on the Common Stock of the Company.

The above dividend is payable January 1, 1949, to shareholders of record at the close of business December 15, 1948.

By Order of The Board.

W. H. Nesbitt, Secretary.

Toronto, November 26, 1948.

THE GREAT LAKES PAPER COMPANY, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that Dividends on the outstanding shares of The Great Lakes Paper Company, Limited, have been declared as follows:

ON CLASS "A" PREFERENCE SHARES — Sixty-two and one-half cents (62½ cents) per share.

ON CLASS "B" PREFERENCE SHARES — Thirty cents (30 cents) per share.

ON COMMON SHARES — Forty cents (40 cents) per share.

Dividends on all classes of shares are declared payable on the Thirty-first day of December, 1948, to Shareholders of record at the close of business on the Second day of December, 1948.

By Order of the Board.

CHARLES ENGLAND,
Secretary.

November 23rd, 1948.

British Columbia Forest Products Limited

NOTICE OF DIVIDEND NO. 3

At a meeting of the Board of Directors a dividend of fifteen cents (15c) per share on the issued ordinary capital stock of this Company, was declared payable in Canadian Funds on February 1st, 1949, to shareholders of record at the close of business December 31st, 1948.

Said dividend will be paid in respect of the shares specified in any bearer share warrants of the Company upon presentation and delivery of coupon No. 3 at the Main Office of The Royal Bank of Canada in Vancouver, Montreal, Toronto, Halifax and Saint John on or after February 1st, 1949.

By Order of the Board.

O. F. LUNDELL,
Secretary.

Vancouver, B.C.,
November 24th, 1948.

ALUMINIUM LIMITED

DIVIDEND NOTICE

On November 23rd, 1948, a special dividend of 75 cents per share in Canadian currency was declared on the no par value Shares of this Company payable December 27th, 1948, to shareholders of record at the close of business December 3rd, 1948.

Montreal
November 23rd, 1948

J. A. DULLEA
Secretary

Sicks'

SICKS' BREWERIES LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a Common Dividend (No. 78) of 25 cents (.25c) cents per share plus a Special Dividend of thirty (.30c) cents per share on the No Par Value Common Shares of the Company issued and outstanding has been declared both payable on the 31st day of December 1948, to Shareholders of record at the close of business on the 1st day of December, 1948.

By Order of the Board.

I. N. WILSON,
Comptroller.

CALGARY, Alberta,
November 24th, 1948.

DIVIDEND NOTICES

STOVEL PRESS LIMITED

Notice is hereby given that a quarterly dividend of twelve and one-half cents (12½c) per share has been declared on the outstanding 5% cumulative redeemable convertible preferred shares of the par value of $10 each in the capital stock of Stovel Press Limited payable on January 15, 1949, to shareholders of record at the close of business on December 31, 1948.

Dated at Winnipeg this 27th day of November, 1948.

By Order of the Board of Directors.

A. H. STROCK,
Secretary-Treasurer.

NOTICE OF DIVIDEND

JOHN LABATT LIMITED

Notice is hereby given that Dividend No. 16 of twenty-five cents per share has been declared on the outstanding no par value common stock of the Company, payable on the third day of January, 1949, to shareholders of record the fifteenth day of December, 1948.

By order of the Board.

L. C. BONNYCASTLE,
Secretary.

London, Ontario, November 29, 1948.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividend:

No par value Common Stock

No. 78, quarterly, 15c per share, payable January 25th, 1949, to shareholders of record at the close of business on December 20th, 1948.

L. C. HASKELL,
Secretary.

Montreal, November 23rd, 1948.

PENMANS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of January, 1949.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of February to Shareholders of record of the 3rd day of January, 1949.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of February to Shareholders of record of the 17th day of January, 1949.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal,
November 29, 1948.

National Steel Car Corporation Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c) per share for the quarter ending December 31, 1948, and a special dividend of twenty-five cents (25c) per share, were declared payable on January 15, 1949, to shareholders of record at the close of business December 15, 1948.

By Order of the Board.

H. J. FARNAN,
Secretary.

DIVIDEND NOTICE

International Paints (Canada) Limited

A half-yearly Dividend of 3% for the six months ended September 30th, 1948, has been declared on the new 6% cumulative participating preferred stock of the Company, payable on January 15th, 1949, to Shareholders of record at the close of business on December 20th, 1948.

By Order of the Board,

D. R. W. McKEAN,
Secretary-Treasurer.

Montreal, November 26th, 1948.

NOTICES

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 13th day of January, 1949, at 11 o'clock, a.m.

By order of the Board.

JAMES MUIR,
General Manager.

Montreal, Que., December 1, 1948.

THE DOMINION BANK

Notice of Annual General Meeting

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, King and Yonge Streets, Toronto, on Wednesday, the eighth day of December next, at 2.30 o'clock p.m.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 14th October, 1948.

The Canadian Bank of Commerce

NOTICE is hereby given that an extra distribution of TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the year ending 30th October, 1948, and that the same will be payable at the Bank and its Branches on and after MONDAY, the THIRD day of JANUARY, 1949, to Shareholders of record at the close of business on 30th November, 1948. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 12th November, 1948.

Catelli Food Products, Ltd. Produits Alimentaires Catelli, Ltée.

Notice of closing of register of transfers for Preferred Shares.

NOTICE IS HEREBY GIVEN that the register of transfers for the Five Per Cent (5%) Cumulative Preferred Shares of the capital stock of Catelli Food Products, Ltd.—Produits Alimentaires Catelli Ltée — will be closed from and after the close of business on the 30th day of November, 1948, until after the close of business on the 29th day of December, 1948.

DATED at Montreal, this 27th day of November, 1948.

By Order of the Board of Directors.

ROMEO DESJARDINS,
Secretary-Treasurer.

Last-Minute Grain Rush From Lakehead Under Way

(Special Correspondence)

WINNIPEG — Tuesday was the biggest day for grain loading experienced at Lakehead terminals this year, with about six million bushels, mainly wheat, dispatched to lower lake ports. Monday and Tuesday saw the arrival of some 40 boats at the Lakehead for grain cargoes. Most of these had not earlier been in the grain trade but in more profitable lines of carrying, mainly in the ore trade. Freeze-up brought a cessation of the ore-carrying business, both from Port Arthur and from American ports, when ore piles became too fast frozen for easy handling.

Nov. 30 was the last day for standard lake insurance rates. An advance came into effect on Dec. 1 and another advance from Dec. 5 to Dec. 10, after which insurance coverage ceases and grain shipments will be at an end.

Throughout the navigation season there has been a dearth of bottoms for grain shipment from the Lakehead. That is due to the fact that grain freight rates between Canadian ports are under control by the Board of Grain Commissioners, while all other lake freight rates are completely uncontrolled except by competition. Although the Board twice increased the maximum scale of allowable charges, such boosts did not have the effect of transferring any boats from other business into grain carrying.

U. S. Vessels Not Bound

The jurisdiction of the Board does not extend, of course, to transportation between a Canadian and an American port; and quite frequently in the past, vessels of American registry have engaged largely in such business. This year American vessels were not attracted to the carriage of Canadian grain; if their owners were willing to accept grain cargoes, they could do better with American grain. In addition there was not much demand for use of the Buffalo route, partly because of the congestion of elevators there with American grain and also because port facilities and available freight at New York were largely preoccupied by export shipments of American grain.

One result of the comparatively meagre shipments of wheat that so far have been made down the lake will be that all-rail transportation will have to be used during the winter to transport very considerable quantities of wheat if Canada's export commitments are to be filled. In consequences, the Wheat Board is still pressing western elevator companies to move wheat forward from the country as rapidly as possible.

Ship More Via Pacific

Concurrently the Board is beginning to direct large quantities of wheat to Vancouver in the expectation of a total wheat movement through that port which, for the season, may amount to some 35 million bushels. There has been some reluctance on the part of both British and continental purchasers to accept wheat at Vancouver. That arises in part from the somewhat lower quality of Vancouver shipments, as compared with those through Lakehead ports.

The areas from which wheat is drawn for westbound shipment characteristically produce wheat which is somewhat low in protein content as compared with that from other parts of Canada. Southern Alberta sometimes produces wheat quite high in protein content. That area this year had a very heavy crop at a high test weight per bushel; but the very size of the crop tended to make the percentage content of protein somewhat lower than usual.

In addition, both the high ocean freight rates resulting from a scarcity of shipping, and the desire for prompt movement of all grain purchased, have made overseas buyers reluctant to ship by the long route through the Panama Canal, as compared with the short route across the North Atlantic.

Shipments during the last few days were mainly wheat, because exporters and forwarders of oats and barley had previously succeeded fairly well in covering their commitments. There have been recent large movements of oats to the United States and of barley for shipment overseas. Forwarders, however, have been somewhat reluctant to place oats and barley in eastern positions, to be drawn on during the winter by the domestic feed trade in Eastern Canada. Business of this sort turned out to be unprofitable last year and some forwarders are understood to have incurred some considerable losses.

Theoretically, the economies of lake transport, as opposed to all-rail shipment, should result in the bulk of grain for eastern feeding being moved by vessel during the navigation season. However, at present the Dominion Government is paying the freight east of Port Arthur on feed grain and the ultimate consumer, therefore, is under no pressure to order his supplies early, in order to get the advantage of lake freight rates.

COMPANY REPORTS

BULOLO GOLD DREDGING operated Nos. 1 and 2 dredges continuously in fiscal year ended May 31, 1948, while four other dredges commenced dredging at varying dates from July 17, 1947, to April 3, 1948. The six dredges handled a total of 7,855,000 cu. yds. of gravel during the year against 720,000 cu. yds. in the previous year when operations were just resuming after the war years.

Installation of the additional dredges reflected the substantial increase in net profit, rising from $246,980 in May 31, 1947, fiscal year to $1,643,234.

The company's claim under war damage insurance has been settled at £1,312,048 (Australian) and final payment was received this September. The settlement included estimated cost of rehabilitating the one remaining dredge.

Certain low-grade gravel was eliminated from ore reserves which accounted for a 23,703,000 cu. yd. drop in reserves.

INCOME ACCOUNT

Years Ended May 31:	1948	1947
Bullion production	$2,614,639	$467,036
Less: Oper. exps.	757,990	44,936
Royalties	125,778	20,980
Taxes	53,108	37,846
Oper. profit	1,677,763	363,274
Less: Rehab. exp.	......	116,294
Pre-prod. exp. w/o	34,529	......
Net prof. & surp.	1,643,234	246,980
Earned per Share	$1.64	$0.25
Paid	*1.00	....

*Payable Dec. 3, 1948, in respect to fiscal year ended May 31, 1948, but not charged to accounts in that year.

CONDENSED BALANCE SHEET

As at May 31:	1948	1947
Cash & bullion	$1,035,605	$527,408
Govt. bonds		327,680
Accts. rec.	105,054	31,293
Aust. war dmge. cl.	3,248,556	......
Mat. & supplies	1,472,783	1,364,054
Total curr. assets	5,861,998	2,250,435
Prep. exp.§	21,093	21,150
Def. charges	119,716	229,769
Aust. war dmge. cl.	......	2,593,169
Amort. fund†	3,094,858	3,032,190
Mining rights	8,519,303	8,519,303
Bldgs., equip., etc.‡	3,664,997	2,516,806
Total assets	21,281,965	19,162,822
Total curr. liab.	557,044	465,206
Reserves▪	13,545,452	13,301,459
Capital stock	5,000,000	5,000,000
Surplus	2,179,469	396,157
†Comprising:		
Cash	946,341	1,049,983
Invests.	2,148,517	1,982,207

▪Including war contingencies reserve of $2,056,814 in 1947, $1,670,455 in 1948.
‡Less $3,836,295 transferred from reserve.
§Incl. in curr. assets in co's. report.

	1948	1947
Working capital	5,304,954	1,785,229

OPERATING STATISTICS

	1948	1947
Gravel handled, cu. yds.	7,855,000	720,000
Average recov.	33.29c	64.87c
Reserves, cu. yds.	125,297,000	149,000,000

NOTICES

THE BANK OF TORONTO

ANNUAL GENERAL MEETING

The Annual General Meeting of the shareholders will be held at the Head Office of the Bank, King and Bay Streets, Toronto, on Wednesday, the Nineteenth day of January, 1949, the chair to be taken at noon.

By Order of the Board.

L. G. GILLETT,
General Manager.

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COMPLETE WORLD-WIDE FACILITIES
Manufacturers of famous "Victoria" livestock feeds . . . specialists in forage and pea seeds . . . offering complete grain and seed handling facilities, McCabe's provide "Canada's Most Complete Farm Service." Victoria Products Co., Ltd. are distributors of farm equipment and branded feed supplements.
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MERCHANTS SHIPPERS AND EXPORTERS
MANUFACTURERS OF MASTER FEEDS, LINSEED AND SOY OILS AND MEALS.

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GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd. and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que. — Vancouver, B.C.

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
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Cereal and Forage Seed Plant at Winnipeg.
We invite your inquiries regarding feed and seed grain.

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Grain Merchants Shippers and Exporters
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OFFICES THROUGHOUT CANADA

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING NOVEMBER 26

Range 1948 High	Low	Div R'te $	Nov26 Y'ld %		Sales	Last Nov 19	Week end. Nov 26 H	L	Cl'se
19¾	12¼	..	...	Abitibi N.	4340	15¼	15¼	15	15¼
21¼	17½	1.50	7.5	Do. $1.50 p.	4523	20	20¼	19¾	20
39	35½	2.50	6.6	Do. $2.50 p. n.	20	38¼	38¼	38	38
24¼	16¼	1.00	4.4	Acadia Atla. A	711	23	23¼	22¼	22¾
103	97	5.00	5.0	Do. 5% pref.	5	100¼	100	100	100
9½	7¼	†.52	..	Agnew Surp.	514	9¼	9¼	8¾	8¾
59½	33¼		...	Algoma Steel	1125	51	51	49	49
26	24	1.00	3.9	Alum. of C. P.	460	25¼	25¾	25¼	25¼
65¼	43	2.00+†.75		Aluminium N.	3962	58	57¼	55¼	56¼
13¼	8¼		...	Amal. Electric	400	8¼	8¼	8¼	8¼
49	44	2.25	5.0	Ang. C. T. p.	14	45	45	45	45
7¼	5¼	.60	9.7	Argus	2595	6¾	6¼	5¾	6¼
83	65	4.50	6.3	Do. 4½% pref.	20	72	72	72	72
.75	.10		...	Do. warr.	50	.20	.25	.10	.25
30	24¼	1.20+†.55		Asbestos	647	27	27	26¼	27
14¾	11	.60	5.0	Ashdown Hdwe.	25	12¼	12	12	12
.35	.20		...	Do. Rts.	5220	.23	.22	.20	.21
13¼	10	1.00	7.8	Atlas Steels	4805	12¾	13	12¾	12¾
21¼	20	.80	4.0	Bk. Can. Nat.	400	20	20	20	20
28	25	.80+■.20		Bk. Montreal	2635	26¼	26¾	26	26¾
38	33	1.20+■.20		Bk. N. Scotia	315	36	36¼	36	36¼
38¼	32	1.20	3.3	Bk. Toronto	110	36	36¼	36	36¼
22¼	17	1.50	7.0	Bathurst Pr. A	1482	22	22	21¼	21¼
7	3¼	....		Do. (B)	60	5	5¼	5¼	5¼
42	35¼	2.40	5.7	Beatty Bros.	75	42	42	42	42
162	150	6.00+1.00		Belding Cort	5	160	162	162	162
12	7¼	.60	5.4	Belgium Glove	310	10¼	11¼	11	11¼
17¼	16	1.00	5.9	Do. pref.	20	17	17	17	17
44	42¼	2.00	4.6	Bell Telephone	5908	43¼	43¼	43¼	43¾
20	17	1.00	5.3	Bertram & S A	215	19	19	19	19
21	18¼	1.00	5.1	Biltmore Hats A	50	20	19¾	19¾	19¾
12	10¼		...	Blue Ribbon	10	11¼	11¼	11¼	11¼
1.00	.20	‡.06		Brand & Millen	200	.60	.50	.45	.45
22¼	17	2.00	10.7	Brazilian Tr.	3490	19¼	19¼	18¾	18¾
16¼	12¼	.60+†.30		Brew & Distill	50	15	15¼	15	15
19	13	•		Br. Am. B. Nts	170	16¼	16¼	14	14
25	20	1.00	4.1	Brit. Amer. Oil	3614	24¼	24¾	24	24¼
27¼	23¼	.93¾	3.6	Do. ped. N.	840	26¼	26¼	25¼	26
90	86¼	4.00	4.4	B.C. Elec. 4% p	30	89¼	90	90	90
4¼	2¼	.30	9.2	B.C. Forest	6430	3¼	3¼	3¼	3¼
14¾	10¼	.75	6.0	B.C. Packers A	20	12¼	12¼	12¼	12¼
8¼	3¼	†.38		Do. "B"	185	7¼	7	6¼	6¼
27¼	24¾	1.60	6.1	B.C. Power A.	380	26	26¾	26¼	26¼
3¼	1¼		...	Do. (B)	675	3	3	3	3
135	72		...	B.C. Pulp & P.	70	120	116	113	115
.80	.35		...	B.C. Turf.	1600	.40	.42	.38	.38¼
6¼	3¼		...	Brown Co.	3968	4¼	4¼	4¼	4¼
118¼	78¼	....		Do. pref.	410	106	106	104	105¼
20¼	16¼	1.20	7.0	Bruck Mills A.	25	17¼	17¼	17¼	17¼
6¼	5	.30	5.8	Do. "B"	205	5¼	5¼	5¼	5¼
36	28¼	†1.45		Building Prod.	435	35¼	35¼	34¼	34¼
15	10¼	.60+†.40		Burlington St'l.	100	13¼	13¼	13¼	13¼
31¼	21	2.25	7.6	Burns & Co. A	5	29	29¼	29¼	29¼
21	13¼	1.00+†.25		Do. "B"	117	16	18	16¼	17
9	7¼	.45	6.2	Burrard D.D. A	100	7¼	7¼	7¼	7¼
14¾	11¾	.70+.05		Butterfly Hos.	100	12¼	12¼	12¼	12¼
16¼	15	.80	4.9	Caldwell L. 2 p	200	16¼	16¼	16¼	16¼
4¼	2¼	.10	3.3	Canada Bread	75	3¼	3	3	3
24¼	14¾		...	Canada Cement	2013	23	23¼	23	23
30	27	1.30	4.7	Do. pref.	626	28¼	28¾	27¾	27¾
23	15	.80	3.6	C. & D. Sugar	1280	22¼	22¾	22	22¼
25	13¼	.80	3.3	Can. Iron	30	25	24¼	24	24
53¼	43¼	2.00+‡.50		Can. Malting	530	48¼	49	47¼	49
11¼	9	.60	6.3	Can. Nor. Pr.	240	9¾	9¾	9¼	9¼
38	33	1.50	4.6	Can. Packers A	190	33	33	33	33
18	15¼	.50	3.1	Do. "B"	360	16¼	16¼	16¼	16¼
201¼	180	8.00	4.3	Can. Perman.	3	185	187	186	187
101¼	98	4.50	4.5	Can. Safeway p.	5	100	100	100	100
15	11	1.00	7.1	Can. Steamship	1470	14	14¼	14	14
42	35	2.50	6.9	Do. pref.	314	37	37	36	36
23¼	20	1.25	5.7	C. Varn. 5% p	45	20	22	22	22
14¼	10	1.00+†.30		Can. Vinegars	135	13	12¼	12¼	12¼
28	21¼	†1.50		Can. W. C. 'B'	125	26	26¼	26	26

Range 1948 High	Low	Div R'te $	Nov26 Y'ld %		Sales	Last Nov 19	Week end. Nov 26 H	L	Cl'se
120	100	†7.50	..	Goodyear Tires	25	100	102¼	101	102¼
53	49	2.00	3.8	Do. pref.	340	52¾	52¾	52	52¼
20¼	15¾	†1.60	..	Gt. Lakes Pap.	2475	17¼	17¼	17	17
45	40¼	2.50	6.0	Do. 'A' pref.	565	42	41¼	40¼	41¼
15¾	10	1.00	6.5	Gt. West Coal	75	10	15¼	15¼	15¼
7	5¼	†.60		Gt. West Felt.	10	6	7	7	7
395	350	15.00	4.2	Gt. West-Life	1	355	356	356	356
13¼	9		..	Gt. W. Saddlery	55	10	10	9	9
17¾	13	1.00	6.2	Gypsum. Lime	2390	16¾	16¾	16	16¼
15¼	10		..	Halifax Insur.	90	10	10¼	10	10
9¾	6	.50+†.25		Ham. Bridge	667	8¾	9	7¼	8¾
12¼	9¼	.80+■.10		Harding Carpet	265	12	12¼	12¼	12¼
34	20	†1.00	..	Hayes Steel	275	27	30¼	27	20¼
20¼	18	1.00	5.2	Hinde & Dauch	5	20	19¼	19¼	19¼
9	8	.50	6.3	Horner F. W. p	25	8	8	8	8
35	9			Ho. De LaSalle	5	15	14	14	14
35¾	23¼	2.00	6.4	H. Smith Pap.	1077	31¼	32	31	31¼
49	44	2.00	4.3	Do. pref.	25	46	46¼	46¼	46¼
116	111	5%	4.3	Huron & E. Mt.	10	115¾	115¾	115	115¾
28	23¾	1.20	4.3	Imperial Bk.	925	28	28	27¼	28
20	14	.50	2.5	Imperial Oil	21995	19¾	19¾	19¼	19¾
14¼	12	.40+†.20		Imperial Tob.	1660	14¼	14¼	14	14¼
26¼	24¼	1.00	3.9	Do. 4% pref.	595	25¼	25¾	25	25¾
24¼	20¼	1.50	6.8	Indust. Accept	460	22¼	22¼	22	22
103	98	5.00	5.1	Do. 5% pfd.	20	99¼	99¼	98	98
27	20	1.50	7.4	Inter. Bronze p.	200	20¼	20¼	20¼	20¼
31¼	25	1.60	6.2	Int. Metal Ind.	105	27	26	26	26
39	29¾	▲1.60	4.4	Inter. Nickel	7642	36¼	36¾	35	35¾
14¼	8¼		...	Inter. Paints	100	11	10¼	10¼	10¼
70¾	46	▲4.00+†1.25		Int. Paper	8005	59¼	59¼	58	58¼
16¼	11	.50	3.9	Int. Pete	27399	12¼	13	12¼	12¾
53	39		...	Int. Power	25	47	46	45	45
14¼	10	▲1.00	7.7	Int. Util.	800	13	13¼	13¼	13¼
11	8¼		...	John Inglis	260	9	9	8¾	9
25¼	22¼	1.00+▲.25		Labatt, John	260	23¼	23¼	22¼	22¼
32¼	25	1.60	6.0	Lake of Woods	482	26¼	26¼	26	26¼
161	155	7.00	4.3	Do. pref.	30	160	162	162	162
21¼	16¼	1.00	5.3	Lang, J. A.	85	18¼	19	18¼	19
17¼	12	.80	5.7	Laura Secord	495	14¼	14¾	14	14
16	14	1.00	7.1	Lewis Bros.	425	14	14¼	14	14
31¼	25	1+†.37½		Loblaw "A"	885	31¼	31¼	30	30
30	24¼	1+†.37½		Do. "B"	280	29	29	27¼	27¼
8	5	.60+■.10		Lon. Hose.	77	7	8	7	7
13¼	11¼	.80	7.0	Do. "A"	35	11¼	11¼	11¼	11¼
19	12¼	1.00	6.0	Lowneys	990	16¾	17¼	17	17¼
44	36	2.00+†.50		Maclaren Pr.	275	40	39	39	39
11	9	.50	5.0	MacMillan Ex.	360	10	10¼	10	10
9¼	4¾	.50+†.10		Do. "B"	1100	7¼	7¼	7¼	7¼
21¾	19¾		...	Mailman Corp.	25	20¼	20¼	20¼	20¼
15	10¾	†.75		Maple Leaf M.	935	11	11¼	11	11
21	16¼	.80	4.7	Maritime Tele.	240	17¼	18	16¼	17
.90	.75		...	Do. Rts.	7060	.75	.80	.75	.75
23¼	16	1.00	4.5	Massey-Harris	5915	21¼	22¼	21¼	22¼
30	24	1.25	4.7	Do. pref.	330	26¾	26¾	26¼	26¼
9¼	7	.60	6.7	McCabe "A"	100	8¾	9	9	9
16¼	9¾	.50	3.8	McColl Fronte.	5115	13¾	13¼	12¾	13¼
100	90	4.00	4.3	Do. pref.	5	92	94	94	94
6	4¾		...	Melchers	125	5	5¼	5	5
15	12¼	.60	4.8	Do. pref.	25	12¼	12¼	12¼	12¼
21¼	16	1.00+†.25		Mercury Mills	540	21¼	21¼	21	21
17¼	14¼	1.00	5.8	Mid. Pac. Grain	30	17	17¼	17¼	17¼
3.12½	1.05	‡.10		Milton Brick	100	1.60	1.50	1.50	1.50
28	20	▲2.00	8.4	Minn & On. P	2295	23	23¼	22¼	22¾
21¼	16	†1.00		Mitchell, Robt.	135	18¾	18¾	18	18
14¼	11		..	Mod. Contain	250	12	13¼	13¼	13¼
38	33	1.00+■.50		Molson Brew.	590	34	34	33	34
105	95	12%	11.4	Mon. L. 30% p	25	98	105	105	105
40	38	1.75	4.4	Montreal Cot. p	10489	39¾	39¾	39¼	39¾
21	14	1.20+■.70		Montreal Loco.	19976	19¾	21	19¼	21
50	45	§1.92	..	Mtl. Tele.	65	50	50	50	50

Mining Stocks

Oil Stocks

STOCKS NOT TRADED THIS WEEK

Dec. 4, 1948 THE FINANCIAL POST

BUSINESS BAROMETER

	OCT.	SEPT.	AUG.	JULY
GOVERNMENT FINANCE (millions of $).				
Dom. total revenue	215.5	199.6	194.9	219.0
Dominion total expend.	151.6	184.4	153.3	162.1
MERCHANDISING				
Dept. store sales index no. (1)	....	....	194.9	219.0
Retail store sales index no.	....	....	239.6	246.6
Country store index (no.)	....	258.8	239.5	249.3
Wholesale sales index (no.)	....	328.9	297.2	284.9
FINANCE				
Dividend payment index (5)	204.3	202.1	201.9	201.8
Money supply (millions $)	....	....	4,048	4,002
NEWSPRINT CAPACITY				
Production ratio	....	103.8	103.3	103.9
Shipment ratio	....	107.1	105.1	100.8
RAILWAY FREIGHT LOADINGS				
Tons (D.B.S.)	....	170.9	203.2	210.8
Cars (D.B.S.)	....	150.5	155.0	166.8
COST OF LIVING				
D.B.S.	159.6	158.9	157.5	156.9
EMPLOYMENT INDEX				
All industries	....	201.2	200.8	198.0
Manufacturing	....	209.0	206.2	207.2
Payrolls (June 1/41=100) (2)	....	208.2	206.5	203.0

	1948	1947	1948	1947	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Nov. 20)	87.0	86.5	3,695	3,570	+3.5
C.N.R. gross rev. (Oct.)	46,890	38,434	401,438	362,206	+10.9
C.N.R. net rev. (Oct.)	5,634	4,119	13,460	32,401	—58.5
C.P.R. gross rev. (Sept.)	33,999	27,773	255,587	232,928	+9.7
C.P.R. net rev. (Sept.)	2,300	960	5,813	10,602	—45.2
IRON AND STEEL PRODUCTION (000's omitted) (Sept.)					
Pig iron production (tons)	182	170	1,503	1,467	+8.9
Steel production (tons)	258	234	2,361	2,184	+8.1
CONSTRUCTION (000's omitted)					
Contracts awarded (Oct.)	70.8	75.0	815.0	623.0	+30.8
■Cement prod., bbls. (Sept.)	1,238	1,155	10,298	8,776	+17.3
AGRICULTURE (000's omitted)					
■Flour prod., bbls. (Oct.)	5,753	7,376	22,514	28,881	—22.1
■Flour exp., bbls. (Oct.)	1,300	1,583	10,242	15,793	—35.1
■Wheat exp., bush. (Oct.)	16,062	10,081	106,258	127,247	—16.5
Cattle sales (Sept.) (4)	265.5	92.4	1,275.0	991.9	+28.4
Hog sales (Sept.) (4)	290.5	225.0	3,595.9	3,084.2	+16.6
SEA FISHERIES (000,000 omitted)					
■Catch, lb. (Oct.)	114.2	148.2	1,039.7	948.0	+9.6
■Landed value (Oct.)	6,219	5,083	53,614	40,458	+32.5
NEWSPRINT (000's omitted)					
Production (Sept.)	376	366	3,418	3,317	+3.0
Exports, tons (Sept.)	388	379	3,386	3,337	+1.4
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Sept.)	1,546	1,546	12,790	10,618	+20.4
Gold prod. (fine oz.) (Aug.)	305	261	2,287	2,036	+12.3
Petroleum prod. (brl.) (Aug.)	1,245	646	7,549	4,883	+55.2
ELECTRICAL POWER OUTPUT (000,000's omitted) (Sept.)					
Total monthly kwh	3,604	3,589	33,513	33,780	—0.8
FOREIGN TRADE (millions of $)					
Imports (Sept.)	221.7	208.1	1,923.3	1,896.2	+1.4
Exports (Sept.)	283.0	218.6	2,158.2	2,004.9	+7.6
FINANCE (millions of $)					
Bank debits (Sept.)	6,710	5,934	57,212	53,704	+8.9
Bond sales (Oct.)	768.9	263.9	4,371.8	3,848.0	+13.7
Life insurance sales (Sept.)	84.7	86.4	873.2	886.8	—1.6
OTHER INDUSTRIAL FACTORS (000's omitted)					
■Shoe prod. (Sept.)	2,811	2,862	23,709	27,428	—13.5
Cigarette cons. (no.) (Oct.)	1,429	1,524	13,012	12,450	+4.5

(2) All industries.
(1) Base period 1935-39=100.
■New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Mill-ing 4	Oils 4	Textiles and cloth-ing 9	Food and allied prod. 13	Bever-ages 8	Bldg. mater. 16	Power and trac-tion 14	Banks 8	Total utili-ties 16	Total co's. 100
*1935 to date:					(Base 1935-39=100)							
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.5	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1948: Monthly Figures:												
Jan.	189.8	216.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.5
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.5	95.2	129.7	110.1	102.2
Mar.	189.5	243.7	104.9	65.2	186.6	109.6	289.7	121.4	98.4	127.8	107.4	101.5
Apr.	209.1	256.5	109.5	70.1	197.3	115.2	312.6	132.0	102.5	127.7	116.5	109.1
May	228.0	274.1	113.1	76.6	215.7	114.0	331.8	142.4	107.8	128.4	127.8	116.5
June	247.7	279.8	111.7	79.5	220.2	115.9	324.3	144.1	108.7	128.5	132.2	120.3
July	234.9	275.9	111.2	75.1	221.9	115.5	315.3	139.5	106.6	127.8	126.2	116.3
Aug.	234.8	272.2	108.3	72.8	214.8	113.2	300.3	137.1	106.7	127.9	123.2	112.6
Sept.	231.3	269.4	107.9	74.9	211.5	111.5	297.6	136.7	105.7	128.3	121.3	112.4
1948: Weekly Figures:												
Oct. 7	232.3	266.2	103.6	77.8	208.6	110.8	301.1	138.5	108.3	127.5	123.3	115.2
Oct. 14	233.6	266.1	103.2	78.1	212.3	111.9	302.9	138.7	109.6	127.6	123.4	115.7
Oct. 21	233.8	267.2	103.6	78.9	214.7	112.2	310.8	140.4	108.8	128.0	123.3	117.1
Oct. 28	238.8	268.1	103.5	78.7	215.8	116.2	307.9	140.8	108.6	130.3	122.6	117.5
Nov. 4	243.3	277.3	101.8	81.5	219.2	115.9	324.5	143.3	109.4	132.7	124.2	120.5
Nov. 11	233.1	264.3	99.7	79.7	214.6	115.6	310.2	139.9	106.9	132.0	120.1	116.8
Nov. 18	230.9	265.6	99.9	79.6	219.2	117.1	315.5	140.8	107.6	132.6	120.5	117.8
Nov. 25	226.6	263.1	99.7	77.5	218.2	117.6	311.4	139.6	107.4	132.9	120.5	116.3

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Nov. 29	184.25	82.24	106.38	58.93
Nov. 27	183.88	81.22	107.61	58.80
Nov. 26	183.90	80.66	107.59	56.85
Nov. 25	183.05	79.79	106.77	51.52
Nov. 24	182.76	79.23	105.82	50.38
Nov. 23	184.65	79.17	106.91	50.04
Month ago	187.28	86.81	110.53	48.94
Year ago	173.61	111.63	86.25	25.59
1948 High	191.44	104.68	113.93	60.53
1948 Low	149.13	79.16	77.67	28.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Nov. 29	74.5	130.3	111.7	337.36	59.35
Nov. 27	74.4	131.0	112.1	342.00	58.84
Nov. 26	74.2	130.9	112.0	342.43	59.00
Nov. 25	74.1	130.3	111.5	338.03	58.65
Nov. 24	74.1	129.6	110.9	338.64	58.54
Nov. 23	74.5	130.5	111.8	343.86	58.81
Month ago	75.9	134.7	115.1	358.74	62.29
Year ago	75.8	127.8	110.4	385.20	79.39
1948 High	77.7	135.6	116.0	384.80	74.92
1948 Low	70.7	108.0	95.7	290.26	56.43

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Nov. 29	171.99	52.47	32.55	62.90
Nov. 27	172.90	53.06	32.96	63.40
Nov. 26	173.16	53.08	32.95	63.46
Nov. 25	.....	.....	.....	.....
Nov. 24	173.40	53.10	33.04	63.56
Nov. 23	176.17	54.45	33.16	64.60
Month ago	189.76	61.97	35.74	70.56
Year ago	180.61	47.65	32.96	63.43
1948 High	193.16	64.95	36.04	71.85
1948 Low	165.39	48.13	31.65	59.89

Stocks Not Traded This Week (Continued)

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Nov. 29	408,000	1,929,000	949,739	612,791	1,260,000
Nov. 27	161,110	1,352,000	510,070	423,377	420,000
Nov. 26	405,600	2,139,000	751,403	707,400	1,290,000
Nov. 25	217,900	1,429,000	447,385	480,185	....
Nov. 24	257,900	1,097,000	327,716	307,342	1,600,000
Nov. 23	232,300	1,116,000	210,430	152,325	1,250,000

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
†Algoma Cent. Terminals deb. stk.	5%	1959	Dec. 31	125
▲Union Gas	4½%	1950	Dec. 7	101

▲$250,000.
†£30,000.

Company Meetings

1948	Company	Place
Dec. 6	Bank of Montreal	Montreal
Dec. 8	Dominion Bank	Toronto
Dec. 9	Candn. Celanese	Montreal
Dec. 9	Fraser Cos.	Edmundston, N.B.
Dec. 9	Lake of Woods Mill.	Montreal
Dec. 10	Consumers Glass	Montreal
Dec. 10	M. Loew's Theatres	Toronto
Dec. 10	H. Walker-Good.	Walkerville
Dec. 13	Can. Ind. Alcohols	Montreal
Jan. 13	Royal Bank of Canada	Montreal
Dec. 14	Bank of Commerce	Toronto
Jan. 19	Bank of Toronto	Toronto
Jan. 19	Kelvinator of Can.	London

Government Bonds

Nov. 30, 1948

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	102¾	103¼
3	Mar. 1954 ...	103¾	104¼
3	Nov. 1956 ...	103¾	104¾
3	May 1957 ...	102½	103½
3	Jan. 1959 ...	101½	102¼
3	June 1960 ...	101	101¾
3	Feb. 1962 ...	100¼	101¼
1½	Nov. 1950 ...	100¼	100¾
3	Oct. 1963 ...	100¾	101
3	Sept. 1966 ...	100¾	101
1½	Nov. 1949 ...	100¼	100½
Dom. of Canada Bonds:			
3¼	Feb. 1952 ...	103¼	103¾
3	Oct. 1952 ...	100¾	101¾
3	June 1955 ...	101½	102¼
3	June 1958 ...	102	102½
4½	Nov. 1959 ...	102½	103
3¼	June 1966 ...	102¾	103¼
3	Perpetual ...	99¾	100
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101	101½
4½	Sept. 1951 ...	106¼	107¾
4½	Feb. 1956 ...	123	125½
4½	July 1957 ...	125	127
5	Oct. 1969 ...	107	108¼
5	Feb. 1954 ...	111¾	113
5	Feb. 1970 ...	107¾	109
4½	June 1955 ...	123½	126
Can. Nat. W. Ind. S.S.:			
4½	June 1955 ...	123½	125½

%	Due	Bid	Ask
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	109½	112
4	Jan. 1962 ...	120½	123
Montreal Harbour Comm.:			
5	Nov. 1969 ...	107½	108½
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64.	100¾	102¼
3½	June 1959 ...	108¾	111¼
3½	June 1950/72.	102	103¾
3½	June 1950/71.	100¾	102¼
British Columbia:			
2¾	Jan. 1967 ...	93¾	95½
4½	Jan. 1969 ...	126	129
5	Apr. 1954 ...	120	123½
5	Sept. 1953 ...	107½	109
3	Dec. 1960 ...	98¾	100¼
4	Dec. 1957 ...	116	119
Manitoba:			
4	Dec. 1957 ...	116	118½
4½	Dec. 1956 ...	119	122½
5	Dec. 1959 ...	127	129½
2¾	Aug. 1962/64.	93¾	95¾
5½	July 1958 ...	116¾	119¼
New Brunswick:			
4½	Apr. 1961 ...	117	119½
5	Jan. 1960 ...	121½	123
2¾	June 1966 ...	90	91½
3½	Oct. 1960 ...	98½	99¾
Nova Scotia:			
3½	June 1956 ...	100¾	102¼
4½	Nov. 1960 ...	123	125½
5	Mar. 1960 ...	127½	130
3	June 1956/58.	99½	101
2¾	Sept. 1966 ...	93½	95½
3½	May 1960/62.	99¾	101¼

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	94½	95½
3	Apr. 1962/65.	99¼	100¼
3½	May 1952/55.	102¼	103¼
4	June 1962 ...	121½	124
4½	June 1950 ...	103	104
4½	Jan. 1962 ...	127	129½
5	Dec. 1960 ...	130½	133
2¾	July 1967/76.	92½	95
Ont. Hydro Commission:			
4	Aug. 1957 ...	118	120½
2¾	June 1961/71.	93½	94½
2¾	Oct. 1956/68.	94	95½
Prince Edward Island:			
4	Mar. 1951/54.	101	102½
Quebec:			
3½	Mar. 1954/59.	102½	104
3¾	Feb. 1952/55.	103	104½
4½	Aug. 1958 ...	108¾	110½
4½	Jan. 1963 ...	113¾	115½
3	Feb. 1960/62.	99¼	100½
4	Nov. 1950/52.	102½	104
Quebec Hydro Commission			
3	Feb. 1969/73.	97	98½
Saskatchewan:			
4	Nov. 1955/60.	99	101
5	Aug. 1958 ...	105½	107½
4½	Mar. 1960 ...	108	111
5	Dec. 1959 ...	111½	114½
5½	Oct. 1952 ...	104½	106½
6	Mar. 1952 ...	105¾	107½
3	Mar. 1963 ...	90	92
3½	Nov. 1960/62.	92	94
3¾	Feb. 1960/62.	96½	97½

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Corp. and Kamm, Garland & Co.)

Nov. 29, 1948

	Bid	Ask.
Acadia Apts. com.	10.25	11.50
Aikenhead Hardware	75.00	80.00
Allens Kingston units	78.00	....
Allens Toronto units	40.00	....
Anglo Can. Telephone A	9.50	10.50
Beach Foundry pfd.	94.00	....
Beauharnois L. H. & Pr.	21.25	22.50
Beauharnois Power	8.00	....
Brinton Peterboro Carpet	85.00	95.00
British Amer. Assur.	70.00	....
British Mtge. & Trust	185.00	200.00
B. C. Sugar	84.50	87.00
B. C. Telephone 4¾% pfd.	102.00	103.50
Brockville Trust $50 par	60.00	....
Canada Tea pfd.	96.00	....
Candn. Airways	1.50	....
Can. Co-op. Woolgrowers	8.25	....
Candn. Fire Insce.	18.00	19.50
Can. & For'n Secs. com.	3.00	....
Candn. Indemnity $10 par	16.50	....
Can. Invest. Fund	4.65	5.10
Can. Investors Corp.	7.00	7.75
Candn. Motor Lamp com.	11.50	12.75
Can. Silk Products A	24.00	26.00
Can. West. Nat. Gas com.	62.00	....
Do. pfd.	18.00	19.50
Capital Wire Cloth com.	12.00	....
Do. pfd.	25.00	....
Cawthra Apts. units	8.50	....
Chase A. W. units	49.50	....
Colonial Realty com.	10.00	....
Colonial Steamships com.	99.00	....
Commercial Finance com.	15.50	18.00
Commercial Life 10% paid	9.00	....
Commonwealth Int. Corp.	3.37	3.70
Confed. Life 30% paid	160.00	....
Cons. Oka Sand & G. com.	.75	....
Do. pfd.	3.50	....
Continental Life 20% pd.	37.00	....
Cooksville A	12.00	14.00
Do. B	5.50	7.00
Crown Life 100% paid	310.00	....
Cuban Can. Sugar com.	5.00	5.50
Debent. & Securities pfd.	99.00	....
Detroit Inter. Bridge	14.25	....
Dom. Can. Gen. Insur.	200.00	230.00
Dom. Life Assur.	225.00	....
Dover Industries Ltd.	10.50	11.25
Dunlop Tire pfd.	24.50	25.50
Dupuis Freres pfd.	24.50	25.50
Empire Life 25% paid	17.00	19.00
Essex Packers com.	4.00	6.00
Do. pfd.	44.00	46.00
Excelsior Life Ins. 40% pd.	101.00	...
Foreign Power Co.	4.00	7.00
Foreign Pwr. Sec. pfd.	4.00	5.50
Galt Brass com.	22.00	....
Goderich Elev. & Trans.	17.25	18.25
Great West Life	340.00	370.00
Guardian Realty pfd.	48.00	....
Guaranty Co. of N. A.	385.00	....
Guelph & Ont. Svgs. $50 p.	61.00	....
Gurney Foundry com.	42.00	....
Halifax Insurance	9.75	11.00
Hart Battery com.	8.75	....
Highland Dairy pfd.	53.00	....
Homewood Sanitarium	125.00	....
Hudson Bay ord.	10.00	....
Imperial Life	325.00	355.00
Indust. Mtge. Trust $50 par	60.00	....
Ingram & Bell pfd.	100.50	....
Lambton Loan $50 par	80.00	85.00
Laprairie com.	....	6.00
Do. pfd.	88.00	...
Loblaw Groc. Inc.	17.00	18.00
Manufacturers Life Ins.	340.00	360.00
Moirs Ltd. pfd.	115.00	....
Monarch Life 20% pd.	98.00	....
Monarch Mtge. units	5.25	5.75
Morrow Screw com.	23.00	....
Mortgage Discount units	1.10	....
Mountainview Apts. pfd.	22.00	....
Nat. Drug & Chem. c. new	7.00	7.75
Do. pfd.	11.00	13.00
National Life 25% pd.	....	71.00
N. B. Telephone	11.50	12.50
N. A. Elev. 1st pfd.	65.00	....
Northern Tel. com.	2.00	2.75
Old Comrades Brew.	....	2.00
Ont. & Que. Ry. 5% cap stl.	140.00	....
Ont. Tobacco Holdings pf.	5.00	7.00
Paramount Oshawa pfd.	85.00	....
Peller Brewing com.	3.00	4.00
Do. pfd.	16.00	18.00
Prudential Trust	10.50	13.00
Quality Steels com.	....	.55
Ritchie Cut Stone pfd.	5.75	....
Sawyer Massey com.	1.50	....
Second Standard Roy. pfd.	.04	....
Seiberling Rubber com.	6.00	....
Sincennes McNaught. Tugs	2.25	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% pd.	38.50	....
Stand. Fuel 4½% pfd.	41.00	43.00
Do. com.	2.50	....
Sun Life Assce.	485.00	505.00
Third Can. Gen. Inv.	3.70	4.10
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.50	....
United Steel A pfd.	24.25	25.25
Victoria Trust & Svgs.	135.00	....
Washington Royalties	.50	....
Waterloo Mfg. com.	6.75	7.75
Waterloo Trust & Svgs.	123.00	126.00
Western Assur. com.	62.00	....
Do. pfd.	41.00	....
Western Grain com.	.70	1.25
Do. pfd.	21.00	22.50
Wood, Alex. & James com.	3.00	....
York Trading com.	10.00	12.00

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Nov. 30, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	67	70	67
†Assoc. Tel. & T.	5½	'55	110	113	110½
Bell Telephone	3	'77	95	97	96
B.C. Electric	3½	'67	91	93	91½
Calgary Power	3½	'72	95	...	95
East Kootenay	3¾	'67	91	95	91
•Gatineau Pr. D	3½	'70	98	...	98
*Do., C	3	'70	93	...	93½
Gt. Lakes Pr.	3½	'67	95½	97½	95½
•Int. Hydro-El.	6	'44	66	69	66
L. St. Law. Pow. Pr.	3½	'65	95	98	95
Maclaren-Quebec Power	3	'69	94	...	94
†Mtl. Trams. A	5	'55	98	100	98
Nat. Lt. & Pr.	4½	'61	100	102	100
Nor. Que. Pr.	4½	'67	97	100	97
Ott. L.H. & Pr.	4	'57	100½	102½	100½
Power Corp.	3½	'67	93	95	92½
Quebec Power	3	'62	96	98	96
Saguenay Pr.	3	'71	96	...	96
St. Maurice Pr.	3½	'70	96	98	96
Shaw W. & Pr.	3	'61	97½	99½	97½
Shaw W. & Pr.	3	'71	94	96	94
Do.	3½	'70	97½	99½	97½
Union Gas	4½	'50	100	102	100
Un. Fuel Invest.	4	'59	100	102	100
United Secs.	3	'52	98½	100½	99
Winnipeg Elec.	3¾	'71	102	104	102
Industrial Issues:					
Abitibi Pr. P.	3½	'67	97½	99½	97½
Acadia-Atlantic Sugar	3¾	'65	100	102	100
Aluminum Co.	3½	'74	100	...	100
Bathurst P. & P.	3¾	'68	98	100	98
B.C. For. Pdcts.	4	'66	90	93	90
B.C. Pulp & Pa.	3½	'67	94	97	94
Bowater's Nfld. P. & P.	3½	'68	95	98	95
Brampton Pulp & Paper	3½	'66	92	95	92
*Brown Co.	5	'59	103½	106	103½
Burns & Co.	4	'63	96	98	96½
Can. Steamship	3½	'57	101	103	100½
Can. Breweries	3½	'67	92	95	92
Can. Celanese	3	'62	96	99	96
Canadian Oil	3½	'62	97½	99½	97½
Can. West Lum.	4	'62	98	101	99
Chatco Stl. Pr.	4	'67	90	95	90
C.P.R.	3½	'51	102	104	102
Do.	4	'49	100	102	100½
C.P.R.	4	Perp.	107	111	106
Cockshutt Plow Co.	4½	'65	98	100	98
Columbia Cell.	5	'68	98	100	98
Consol. Paper	3½	'67	100½	102½	100½
Dominion Coal	4½	'52	100½	102½	100½
Dom. Tar & Ch.	3½	'57	100½	102½	100½
Dom. Textile	3½	'59	102	104	102
Dom. Woollens	5	'64	100½	102½	100½
Dryden Paper	4	'61	99½	101½	99½
E. B. Eddy	3½	'66	96½	98½	96½
E. B. Eddy	4	'66	100½	102½	100½
English Electric	4	'67	95	98	95
Federal Grain	4	'64	97	99	97
Gt. Lakes Paper	3½	'67	98	100	98
Imp. Tobacco	2¾	'66	94½	96½	94½
Indust. Accept.	3½	'66	93	96	93
Lake St. J. P.	5	'61	101	103	101
Lang, John A.	4½	'62	100	102	100
Laurentian Silk	4½	'67	99½	101½	99½
MacMillan (H.R.) Ex.	4	'65	100	...	100
Maple L. M.	3¾	'63	95	98	95
Massey-Harris	3	'66	93	95	93
Do.	4½	'63	99½	101½	99½
McColl-Front.	3	'71	93	96	93
McCormics	4	'52	100	102	100
Mercury Mills	4	'63	99	102	99
Monarch Knit.	4	'66	99	102	99
Morgan (Henry) Prop.	3½	'67	98	101	98
N.S. Steel Coal	3½	'63	96	99	96
Penman's	3½	'66	99	101	99
Price Bros.	3½	'66	98½	100½	98½
Silv. Dairies	4	'60-64	97½	...	97½
Do.	4	'71	92	95	92
Simpsons Ltd.	3½	'60	101	104	101
Steel of Canada	2¾	'67	93	95	93
Tor. Elevators	3½	'66	98	100	98
United Corp.	4	'58	100	102	100
United Steel	4	'60	98	100	98
Untd. Grain Gr.	4	'63	99	101	99
†Western Grain	5	'63	75	78	75
York Knit. Mills	3½	'71	89	93	89

*Payable in Canada or United States.
†Payable in Canada, U. S. or U. K.
•Payable in United States.
♦Payable in Canada only.
▲Payable in Canada or U. K.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$21.00	$21.12	$13.22
Hogs	30.35	30.35	22.60
Copper, lb.	.23½	.23½	.21½
Sugar, raw, lb.	.0518	.0518	.0620
Coffee, lb.	.27¼	.26⅝	.26¾
Hides	.28	.28	.25½
Weekly Indices			
U. S. Labor	164.3	164.2	158.5
Dow Jones	147.24	144.54	165.61
Fishers	171.0	171.4	164.4
Monthly Indices			
Retail (Oct.)†	159.6	158.9	142.2
W'sale (Oct.)	159.2	158.2	139.3
U. S. (Aug.)	169.4	168.6	153.7
Gt. Brit. (Aug.)	221.1	221.8	193.9

Note: The base of indices is that 1926 equals 100 (Base 1935-39 equals 100). The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporations and Foreign Securities

PROVINCIAL

Hydro-Electric Power Commission of Ontario (Guaranteed by the Province of Ontario) — 3% bonds, due Dec. 15, 1965, $45,000,000, dated Dec. 15, 1948. Offered at $99 and accrued interest to yield 3.08% by McLeod, Young, Weir & Co. Ltd.; Wood, Gundy & Co. Ltd.; Bell, Gouinlock & Co. Ltd.; Mills, Spence & Co. Ltd.; A. E. Ames & Co. Ltd.; Dominion Securities Corp. Ltd.; Royal Securities Corp. Ltd.; Midland Securities Ltd.; McTaggart, Hannaford, Birks & Gordon Ltd.; Cochran, Murray & Co. Ltd.; Harrison & Co. Ltd.; Fry & Co.; Matthews & Co.; Collier, Norris & Quinlan Ltd.; R. A. Daly Co. Ltd.; Gairdner & Co. Ltd.; W. C. Pitfield & Co. Ltd.; Burns Bros. & Denton Ltd.; W. C. Harris & Co. Ltd.; Jas. Richardson & Sons; Fairclough & Co. Ltd.; Anderson & Co.; Bankers Bond Corp. Ltd.; Bartlett, Cayley & Co. Ltd.; Brawley, Cathers & Co.; J. L. Graham & Co. Ltd.; Charles H. Burgess & Co.; Flemming & Co. and A. M. Ramsay & Co.

MUNICIPAL

City of Toronto, Ont.—2½%, 2¾% and 3% debentures, due Dec. 1, 1949-68, $4,365,000, issued Nov. 22, 1948. Offered by a syndicate headed by Wood, Gundy & Co. Ltd. and including A. E. Ames & Co. Ltd.; Royal Bank and Dominion Bank. 1954-58 maturities offered to yield 2.75%. 1959-63 maturities offered at $100.50 for equal amounts of each maturity to yield about 2.95%. 1964-68 maturities offered at $100 to yield 3%. 1948-53 maturities have been sold.

Vanderhoof School District No. 56, B.C.—4% debentures, due Oct. 15, 1949-60, $43,000, issued Oct. 29, 1948. Sold to Pemberton & Son, Vancouver, Ltd.

Town of Parry Sound, Ont.—3½% debentures, due Dec. 15, 1949-68, $200,000, issued Nov. 13, 1948. Sold at $99.58 to Wood, Gundy & Co. Ltd. and Bank of Nova Scotia.

Town of Laprairie, Que. — 3% debentures, due Nov. 1, 1949-63, $95,000, issued Nov. 15, 1948. Sold to Rene-T. Leclerc Inc. at $94.36.

Town of Tuxedo, Man. — 4½% debentures, due Dec. 1, 1949-58-63, $35,500, issued Nov. 15, 1948. Sold privately.

Town of Dryden, Ont. — 3% and 3¼% debentures, due Dec. 1, 1949-63, $143,670, issued Nov. 16, 1948. Sold at $100.277 to R. A. Daly Co. Ltd.

L'Ardoise School Section No. 72 (Guaranteed by Province of N. S.) — 3% and 3½% debentures, due Dec. 1, 1949-68, $35,000, issued Nov. 16, 1948. Sold at $100.277 to Gairdner & Co. Ltd.

City of Port Alberni, B.C.—5% debentures, due Dec. 1, 1949-53, $20,860, issued Nov. 16, 1948. Sold at $105.30 to A. E. Ames & Co. Ltd. and Royal Bank.

City of Nelson, B.C.—3% debentures, due Sept. 30, 1949-68, $200,000 issued Nov. 18, 1948. Sold at $96.60 to Nesbitt, Thomson & Co. Ltd.

Westmount School Section No. 31 (Guaranteed by Province of Nova Scotia)— 3% and 3½% debentures, due Nov. 1, 1949-68, $35,000, issued Nov. 18, 1948. Sold at $100.35 to F. J. Brennan & Co. Ltd.

City of Edmonton, Alta.—3% debentures, due 1949-68, $1,300,000, issued Nov. 22, 1948. Sold at $99.111 to Dominion Securities Corp.; Wood, Gundy & Co. Ltd.; A. E. Ames & Co. Ltd.; Imperial Bank; Fairclough & Co. Ltd.; Cochran, Murray & Co. Ltd.; Nesbitt, Thomson & Co. Ltd.; Tanner & Co. Ltd.; J. L. Graham & Co. Ltd. and Bank of Montreal.

City of Sault Ste. Marie, Ont. — 3½% debentures, due Dec. 15, 1949-68, $165,000, issued Nov. 22, 1948. Sold at $100.2697 to Bartlett, Cayley & Co. Ltd.

Town of Bourlamaque, Que.—3½% debentures, due June 1, 1949-63, $30,000, issued Nov. 22, 1948. Sold privately at $97.

Parish of L'Ascension, Que. — 3½% debentures, due Oct. 1, 1949-58, $15,000 issued Nov. 22, 1948. Sold privately at $98.

School Commission of Town of Megantic, Que.—3%, 3¼% and 3½% debentures, due Oct. 15, 1949-53-58-63, $230,000, issued Nov. 22, 1948. Sold privately at $98.

School Commission of Notre-Dame-de-la Paix, Que.—3½% debentures, due Nov. 1, 1949-63, $45,000, issued Nov. 22, 1948. Sold privately at $100.

Municipality of St.-Vincent-de-Paul, Que.—3½% debentures, due Aug. 1, 1949-68, $7,500, issued Nov. 22, 1948. Sold privately at $97.

Thetford Mines R. C. School Commissioners, Que. — Debentures due Dec. 1, 1949-68, $280,000, dated Dec. 1, 1948. 1-10 year debentures offered to yield 3.35%, 11-15 year debentures to yield 3.60%, 16-20 year debentures to yield 3.65% by Gairdner & Co. Ltd.

CORPORATE

Forano Limited—4% & 4½%, first mortgage serial bonds, due 1949-53-64, $500,000, dated Dec. 1, 1948. These bonds have already been sold by Clement, Guimont Inc.

La Compagnie du Telephone Saguenay-Quebec—2¾%, first mortgage series C bonds, due Oct. 1, 1973, $800,000, dated Oct. 1, 1948. Sold at $100 and accrued interest by L. G. Beaubien & Co. Ltd. These bonds have already been sold.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.70	4.04
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.60	5.10
Can. Invest. Corp.	7.00	8.00
Commonwealth Int.	3.36	3.69
Corporate Invest.	8.55	9.20
Trans-Canada A	14.10	....
Do. B	....	14.75

Market Comment

What stocks and bonds are doing and what prominent observers say

Western oils took the market spotlight for the second week in a row. In one week the Toronto Stock Exchange western oil index has tacked on more than 11 points, or 22%. The index is now at an 11-year high. Producers and drillers alike were being taken forward on a broad front under increasing volume, at early midweek.

Increasing investment in Western oil exploration and drilling programs by both Canadian and U.S. companies and the better-than-average possibilities that new fields will be located are broad factors behind the market rise. Current high crude oil prices —up over 100% from 1946 — promise sizeable earnings even on pro-rated output. Promotional activities in the oils are at feverish pitch and new deals are being hammered out daily. A reported new oil discovery by Socony-Vacuum Oil Co. on leased Crown land near Hanna, Alberta, helped spark the oils anew this week, when indications that profit-taking would overbalance buying, began to appear. On purely technical grounds some market back-tracking would seem likely from here.

Base metals and most industrial stock groups continued heavy this week, in sympathy with New York. Reported heavier-than-usual year-end tax selling in the United States and declining sales volume in an increasing number of easier supply lines were bearish market factors this week. More and more investment houses are cautioning clients against new commitments at even today's pared prices, maintaining that better bargains will be available before spring.

* * *

HORACE T. BURGESS: Charles H. Burgess & Co. (Toronto)

The future of the security markets must continue to be influenced by the international situation. Feeling in the Berlin affair seems to have waned for the present but it will take a turn for the better or for the worse before spring. Even if the Russians decide to give way in this instance, their plan for world disorder will result in the fostering of unrest in other parts of the world. This continued international unrest should have a decreasing effect upon Canadian investment markets, depending upon its severity. Sound Canadian industrial securities are in a good position to ignore such disturbances. Business conditions in Canada appear to be on a sound footing, with employment at record levels; and the financial position of most leading companies is being steadily strengthened.

The unexpected Democratic victory in the United States was undoubtedly unsettling to American business and American security markets in the first analysis. Nevertheless, history would seem to indicate that Canada has fared better in her relations with the United States under a Democratic administration.

Investors should therefore look with favor on the securities of our well-established and well-managed Canadian companies, and consider them as a safe medium for investment.

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H. N. CRANN; Milner, Ross & Co. (Toronto)

We believe that speculative and investment capital will be directed increasingly to the development of oil and gas resources in Western Canada, as the full potentialities of this area become more and more evident. The recent Redwater discovery is another milestone on the road to self-sufficiency in a product which affects every phase of the economic life of the Dominion and which would be of vital importance to North America, should far-eastern supplies be cut off.

New fields undoubtedly will be found, perhaps exceeding in size even the prodigious discoveries of the past two years. Particularly encouraging is the fact that the smaller independent companies are able to participate in the development of favorable areas such as Redwater, Leduc, Lloydminster, Princess, etc., not being excluded by the major operators.

Coupled with the oil boom will come an expansion in other industrial activity, and its corresponding beneficial effect on business generally. The tremendous natural gas and coal resources of the provinces assume new significance. Agriculture, while still the primary economic pursuit of the west, may in time be closely rivaled by industrial activity. The question of markets will receive wider attention.

It is our opinion that Canadian investors would do well to look to companies strongly entrenched in the west, as a medium for the employment of both investment and speculative capital. Not only companies primarily engaged in the search for oil, but others also which would benefit by their success, should be given consideration. Considerable care is essential in selecting companies which have adequate resources, experienced management, and a record of sound, progressive policies in the past.

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A. KIRBY; Fairbanks, Kirby & Co. (Montreal)

Although it may take some time before the New York market recovers from the election shock, it is difficult to regard present stock prices, generally, as other than cheap.

American businessmen are fearing the worst from the Truman administration, and it is remarkable in many ways, that the market has acted so well in view of the prevalent pessimism about the President's intentions regarding excess profits, price controls, etc. However, it would seem highly unlikely that future government policy will deliberately sabotage present prosperity, as many of the gloomier prophets suggest.

When the wage increases were being applied back in 1946, it was predicted that profits would disappear; that the economy could not stand the strain. The record profits being reported these days would hardly seem to bear out such fears. Even though still higher wages may result from the Truman policies, such increased wages do not automatically imply a sharp recession, if recent experience is any criterion.

Canadian stock quotations are not a great deal lower now than they were a week before the U.S. election. Although some reduction in business may be looked for, earnings are likely to remain for some considerable time at a level which makes present prices attractive.

Among the various stock groups, the steels, base metals, the better oils and the breweries merit special attention. The pulp and paper industry is possibly experiencing a peak year, but prospects point to continued high level of operations and good earnings. The long-term outlook for Canada calls for a high degree of optimism.

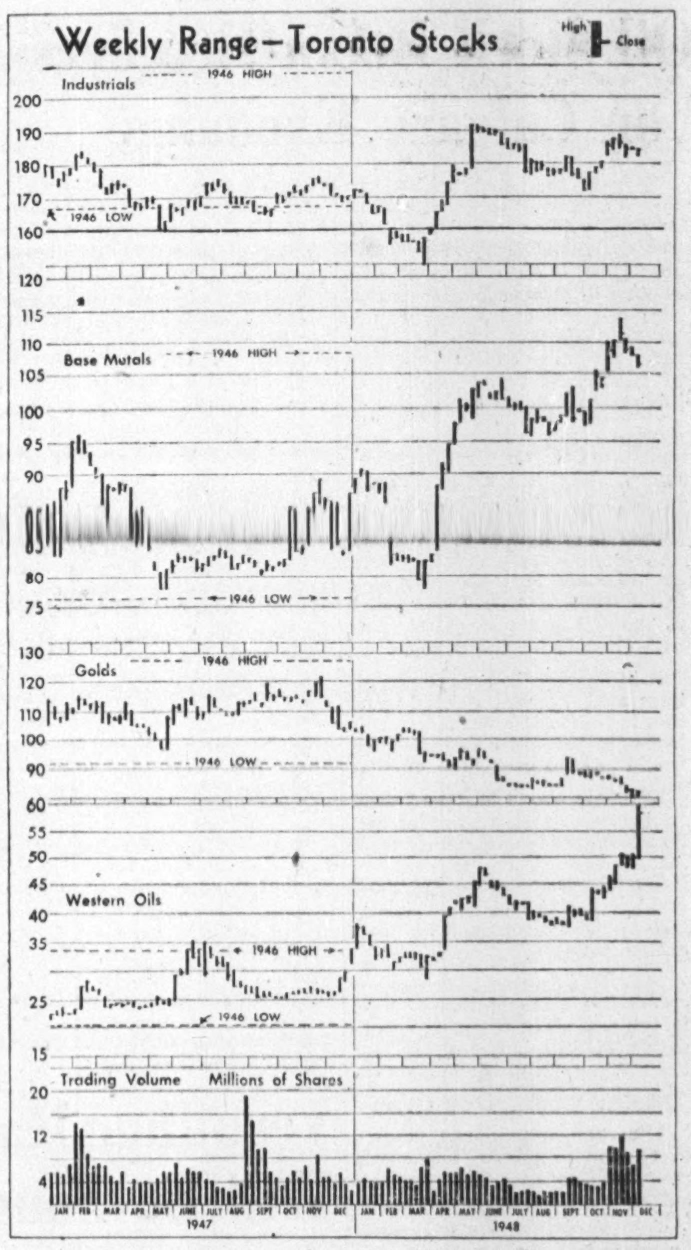
Dividends Declared

	This payment $	Date payable	Date of record
Abitib P. & P. 1st pf.	.37½	Jan. 1	Dec. 1
Do. 2nd pf.	.50+.50	Jan. 1	Dec. 1
Do. 2nd pf.	.50+.50	Ja. 1	Dec. 1
Acadia Atlantic	.25	Jan. 3	Dec. 10
Do. 5% pf.	1.25	Dec. 15	Nov. 26
Acme Glove	.25	Jan. 2	Dec. 15
Alum. of Can.	.25	Mar. 1	Feb. 2
Alum. Ltd.	.50	Dec. 6	Nov. 10
Amer. Cyan.	†.31¼+.50sp.	Jan. 3	Dec. 1
Andian Nat.	†.20	Dec. 15	Dec. 3
		Coup. 37-xc	Dec. 14
Asbestos Corp.	.30+.40	Dec. 21	Dec. 3
Ashdown Hdwre. A	.15	Jan. 1	Dec. 10
Do. B	.45	Jan. 1	Oct. 30
Do.	.15	Jan. 1	Dec. 10
Assoc. Tel. 6% pf.	†1.44	Dec. 21	Nov. 21
Do. 7% pf.	†1.68	Dec. 21	Nov. 21
Auto. Electric	.15	Dec. 15	Nov. 20
Do. A	.12½	Dec. 15	Nov. 20
Auto Fabrics A	.15	Jan. 2	Dec. 15
Do. B	.10	Jan. 2	Dec. 15
Banque C. Nat. ext.	.20	Jan. 3	Nov. 3
Bk. of Toronto	.20 ext.	Jan. 3	Nov. 15
Barber Ellis	.25+.12½	Dec. 15	Nov. 30
Do. pf.	1.75	Jan. 15	Dec. 31
Beaver Lumber	.50	Feb. 1	Jan. 10
Do. A	.25	Jan. 2	Dec. 10
Do.	.25	Apr. 1	Mar. 10
Do.	.25	Jul. 2	Jun. 10
Do. pf.	.35	Jan. 3	Dec. 10
Do.	.35	Apr. 1	Mar. 10
Do.	.35	Jul. 2	Jun. 10
Beld.-Cort.	▲‡1.00	Jan. 3	Nov. 30
Belgium Glove	.15	Jan. 3	Dec. 14
Do. pf.	.25	Jan. 3	Dec. 14
Brazilian Tr.	1.00	Dec. 15	Oct. 22
Bulolo Gold	1.00	Dec. 3	Nov. 15
B. A. Oil	.25	Jan. 3	Dec. 7
Do. pf.	.234375	Jan. 3	Dec. 7
Bell Tel. N.	.50	Jan. 15	Dec. 15
B. C. Elec. pf.	1.00	Jan. 3	
		Coup. 7-xc	Dec. 30
B. C. Elec. Rlwy.	2½%	Jan. 15	Dec. 31
B. C. Forest	.15	Feb. 1	Jan 29
Bruck Mills A	*.30	Dec. 15	Nov. 15
Do. B	*.07½	Dec. 15	Nov. 15
Burlington Steel	.15+.25	Jan. 3	Dec. 10
Burrard A	.11	Dec. 15	Nov. 27
Butterfly Hose	.35+.15	Dec. 15	Nov. 15
Do. pf.	3.50	Jan. 31	Dec. 31
Can. Cement pf.	.32½	Dec. 20	Nov. 19
Can. Crushed Stone	.10	Dec. 20	Dec. 1
Do. ext.	.10	Jan. 3	Dec. 1
Canada Dry	†.15	Jan. 1	Dec. 8
Do. pf.	†1.06¼	Jan. 1	Dec. 8
Can. Flooring B	*.15	Jan. 3	Dec. 17
Do. A	.25	Dec. 1	Nov. 15
Can. Malting	.50+.50	Dec. 15	Nov. 15
		Coup. 84-xc-14	
Can. Nor. Pwr.	.15	Jan. 25	Dec. 20
Can. Steamship pf.	1.25	Jan. 3	Dec. 3
Can. Perm. Mtge.	2.00	Jan. 3	Dec. 15
Can. Trust	3.50	Jan. 3	Dec. 15
Candn. Brew.	.50	Jan. 1	Nov. 20
Candn. Bakeries	*.20	Jan. 3	Dec. 15
Can. W. & Cable A	1.00	Dec. 15	Nov. 30
Do. B	.75	Dec. 15	Nov. 30
Can. Bk. of Com.	.20ext.	Jan. 3	Nov. 30
Candn. Cel.	1.75	Dec. 31	Dec. 8
Do. 1st pf.	.43¾	Dec. 31	Dec. 8
Do. 2nd pf.	.25	Dec. 31	Dec. 8
Candn. Food	.18¾	Jan. 1	Nov. 30
Do. A	.25	Jan. 1	Nov. 30
Do. pf.	1.12½	Jan. 1	Nov. 30
Candn. Gen. Elec.	2.00	Jan. 1	Dec. 15
Can. G. Sec. A & B	1.50	Jan. 3	Dec. 15
Candn. Ing.-Rand	1.50	Dec. 21	Dec. 7
Candn. Malartic	.02	Dec. 10	Nov. 18
Candn. Oil 4% pf.	1.00	Jan.	Dec. 10
Do. 5% pf.	1.25	Jan. 2	Dec. 10
Do. 8% pf.	2.00	Jan. 2	Dec. 10
Candn. Wirebound	.37½	Jan. 3	Dec. 10
Candn. Ice Mach. A	.20	Jan. 1	Dec. 15
Candn. Foundries A	.37½	Dec. 15	Nov. 26
Do. B	1.50	Dec. 17	Nov. 26
Candn. For. Inv.	.75	Jan. 3	Dec. 2
Candn. Ind. Alco. A	.50	Dec. 6	Nov. 5
Do. B	.50	Dec. 6	Nov. 5
Candn. Mot. Lamp	.15	Dec. 15	Nov. 25
Cap. Wire Cloth	1.00	Dec. 1	Nov. 12
Do. pf.	.37	Dec. 1	Nov. 12
Cassidys pf.	1.75	Jan. 3	Dec. 3
Chart. Trust	1.25	Jan. 3	Dec. 15
Chesterville M.	.05	Jan. 15	Dec. 30
Cockshutt Plow	♦.20	Mar. 1	Feb. 1
Do.	♦.20	June 1	May 1
Com. Alcohol	.05	Jan. 15	Dec. 31
Do. pf.	.10	Jan. 15	Dec. 31
Coniaurum M.	.03	Dec. 10	Nov. 15
Confederation Life	1.50	Dec. 15	Dec. 10
Cons. Div. Sec. pf.	1.00	Jan. 3	Nov. 30
Cons. Litho.	.50+.20	Dec. 30	Nov. 30
Cons. Paper	.50+.75	Jan. 17	Dec. 4
Consol. Press A	.16¼	Jan. 1	Dec. 15
Copeland Flour	1.50	Jan. 2	Dec. 15
Craig Bit	.25	Jan. 3	Dec. 20
Do. pf.	.25	Feb. 1	Jan. 18
Crown Trust	1.25	Jan. 3	Dec. 18
Crow's Nest P. Coal	1.50	Dec. 2	Nov. 8
David & Frere A	.25+.50	Dec. 31	Dec. 15
Dom. Glass	.25+1.00	Jan. 15	Dec. 28
Do. pf.	.35	Jan. 15	Dec. 28
Dom. Malting pf.	1.25	Feb. 1	Jan. 7
Dom. Stores	.37½	Dec. 15	Nov. 18
Dom. St. & C. B	.25spec.	Dec. 16	Nov. 16
Dom. Tar	.25	Feb. 1	Jan. 3
Do. pf.	.25	Jan. 3	Dec. 1
Dunlop Tire pf.	.62½	Dec. 31	Dec. 15
East Can. S. & Loan	1.50	Jan. 12	Dec. 20
Easy Washing	.25+.25	Jan. 3	Dec. 15
Eddy Paper A	.25	Dec. 15	Nov. 15
Enamel & Heat.	.50	Jan. 31	Dec. 31
Electrolux	†.70	Dec. 17	Nov. 19
Evans Coleman A	.15	Jan. 3	Dec. 23
Do. B	.05	Jan. 3	Dec. 23
Falconbridge M.	.15+.10	Dec. 10	Nov. 20
Famous Players	.25	Dec. 24	Dec. 10
Fanny Farmer	†.37½+.50	Dec. 21	Dec. 11
Fashion Craft pf.	1.25	Jan. 2	Dec. 20
Fibre Prod.	.20	Dec. 22	Dec. 1
Fittings A	.30	Jan. 1	Dec. 6
Ford A & B	.25+.25	Nov. 26	Nov. 5
Foundation	.35	Jan. 20	Dec. 31
Gatineau Pwr.	.30	Jan. 1	Dec. 1
Do. 5% pf.	1.25	Jan. 1	Dec. 1
Do. 5½% pf.	1.38	Jan. 1	Dec. 1
Golden Manitou M.	.05	Jan. 3	Dec. 10
Gord. Mackay A	.12½	Dec. 15	Nov. 15
Do. B	.12½+.12½	Dec. 15	Nov. 15
Goodyear Tire	.50	Dec. 31	Dec. 10
Grafton A	.25	Dec. 15	Nov. 25
Grey & Bruce Tr. & Sav.	3½%	Dec. 20	Dec. 15
Gt. West. Sad. pf.	.75	Dec. 28	Nov. 3
Hahn Brass	.30+.20	Jan. 1	Dec. 8
Do. pf.	.50+.20	Jan. 1	Dec. 8
Hart Battery	.10+.20	Jan. 11	Dec. 11
Harding Carp.	.20+.10	Jan. 3	Dec. 15
Hinde & Dauch	.25	Jan. 2	Nov. 30
Hollinger M.	.06	Dec. 29	Dec. 1
Home Oil	.25	Dec. 15	Nov. 10
F. W. Horner A	.12½	Jan. 3	Dec. 1
How. Smith	.50	Jan. 31	Dec. 31
Do. pf.	.50	Jan. 20	Dec. 31
Huron & Erie Mtge.	1½%	Jan. 3	Dec. 15
Hudson B. M.	1.00+1.00	Dec. 13	Nov. 12
Hydro Elec Secs. p.	.25	Feb. 1	Dec. 30
Ind. Mtge.	1.25+.75	Jan. 2	Dec. 15
Int. Coal	.01½	Dec. 15	Dec. 1
Int. Bronze pf.	.37½	Jan. 15	Dec. 15
Int. Nickel	†.40+.40	Dec. 20	Nov. 22
Int. Metal A	.40	Jan. 3	Dec. 7
Do. pf.	1.12½	Jan. 3	Dec. 7
Imp. Tobacco	.10	Dec. 31	Nov. 16
Int. Paints pf.	.60	Jan. 15	Dec. 20
Int. Paper	†1.00+1.00	Dec. 15	Nov. 19
Do. pf.	†1.00	Dec. 15	Nov. 19
Invest. Found. pf.	.75	Jan. 15	Dec. 15
Isle. Mt. Mines	.07	Dec. 15	Nov. 19
Jam. Pub. Ser.	.25	Jan. 3	Nov. 30
Do. pf.	1.75	Jan. 3	Nov. 30
Kelvinator	.50	Dec. 20	Dec. 4
Lake Dufault M.	.05	Dec. 10	Nov. 19
Lake Shore M.	.18	Dec. 15	Nov. 15
Lamaque G. M.	12.	Feb. 1	Dec. 11
Lambton Loan	1.50+1.00	Jan. 3	Dec. 15
Lewis Bros.	.25	Jan. 31	Dec. 31
M. Loew's	1.00	Dec. 31	Dec. 10
London Hose	.15+.10	Jan. 1	Dec. 10
Do. A	.20	Jan. 1	Dec. 10
Lounsbury A	.12½	Dec. 1	Nov. 15
Do. B	.25	Dec. 1	Nov. 15
W. H. Lowney	.25	Jan. 15	Dec. 15
MacK. Steel pf.	1.25	Dec. 15	Nov. 30
Maclaren Pwr.	.50	Nov. 30	Nov. 6
Do. ext.	.25	Jan. 3	Nov. 6
MacMillan A & B	.12½	Dec. 31	Dec. 10
Maritime Tel.	.20	Jan. 15	Dec. 20
Do. pf.	.17½	Jan. 15	Dec. 20
L. McBrine	.50	Jan. 1	Dec. 11
Maple Leaf Gdns.	.25	Jan. 17	Jan. 3
Massey-Harris	.25	Dec. 15	Nov. 20
Matachewan M.	.02½	Dec. 10	Nov. 15
McColl-Frent.	.25	Dec. 15	Nov. 15
McIntyre Porc. M.	1.00½	Jan. 3	Nov. 1
McLennan, McFeeley & Prior pf.	1.12½	Dec. 31	Dec. 20
Melchers pf.	.30	Dec. 31	Nov. 30
J. S. Mitchell	.75	Jan. 3	Dec. 15
Do. extra	1.00	Dec. 15	Dec. 3
Robt. Mitchell	.25+.25	Dec. 15	Nov. 15
Mod. Containers	.50	Dec. 24	Dec. 13
Do. A	.25	Jan. 3	Dec. 20
Molsons	.50 ext.	Jan. 11	Dec. 16
Monarch Life 30% pf.	6%	Jan. 3	Dec. 17
Mtl. Cottons pf.	.43	Dec. 15	Nov. 15
Monarch Knit.	.25	Jan. 3	Nov. 30
Do. pf.	1.12½	Jan. 3	Nov. 30
Mtl. Refrig.	.95	Dec. 16	Dec. 2
Do. pf.	1.50	Dec. 16	Dec. 2

Dividends Declared (cont.)

	This payment $	Date payable	Date of record
Moore Corp.	.75+.45	Jan. 3	Dec. 1
Do. 4% pf.	.25	Jan. 3	Dec. 1
Do. A & B pf.	†1.75	Jan. 3	Dec. 1
Nat. Biscuit	†.40+.40	Jan. 14	Dec. 7
Nat. Brew.	.50	Jan. 3	Dec. 10
Do. pf.	.43	Jan. 3	Dec. 10
Nat. Hosiery A	.15	Jan. 1	Dec. 3
Do. B	.30	Jan. 1	Dec. 3
Nat. Steel Car	.37½+.25	Jan. 15	Dec. 15
New Calumet M.	*.10	Jan. 14	Jan. 5
Noranda	1.00	Dec. 15	Nov. 25
Normetal Min.	.08	Dec. 8	Nov. 12
North. Emp. M.	.07	Nov. 19	Oct. 30
Ogilvie Flour	.25	Jan. 3	Nov. 24
Ont. Beauty S'ply p.	.25	Jan. 3	Dec. 20
Ont. Steel	.25+.25	Feb. 15	Jan. 14
Do. pf.	1.75	Feb. 15	Jan. 14
Page-Hersey	.45	Jan. 2	Dec. 15
Paton Mfg.	.20	Dec. 15	Nov. 30
Do. pf.	.35	Dec. 15	Nov. 30
Peller Brew. pf.	■1.03½	Dec. 15	Nov. 30
Placer Dev.	.25	Dec. 10	Nov. 19
Powell River	.40	Dec. 15	Nov. 24
		coup. 16xc-14	
Do. ext.	.65	Dec. 15	Dec. 14
Power Corp.	.35	Dec. 31	Nov. 19
Do. 1st pf.	1.50	Jan. 15	Dec. 20
Do 2nd pf.	.75	Jan. 15	Dec. 20
Preston E. D. M.	.01½	Jan. 15	Dec. 15
Proprietary M.	.03	Jan. 6	Dec. 10
Que. Manitou M.	.02	Jan. 3	Dec. 10
Que. Power	.25	Feb. 25	Jan. 17
Remington Rand	†.25	Jan. 3	Dec. 9
Do. pf.	†1.25½	Jan. 3	Dec. 9
Riverside B	1.00	Dec. 15	Dec. 5
Rolland Paper pf.	1.06¼	Dec. 15	Dec. 1
Saguenay Pwr. pf.	♦1.06	Jan. 1	Dec. 8
Sarnia Bridge	.20+.20	Dec. 15	Nov. 30
Scythes ext.	.18	Jan. 5	Dec. 15
Shawinigan pf.	.50	Jan. 2	Dec. 2
Sherwin-Will. pf.	1.75	Jan. 3	Dec. 10
Sheep Creek M.	.02	Jan. 15	Dec. 31
Sicks Brew.	.25+.30	Dec. 31	Dec. 1
Sigma M.	.25	Jan. 29	Dec. 29
Silknit Ltd.	.15	Dec. 15	Dec. 1
Do. pf.	.50	Dec. 15	Dec. 1
Silverwood's A	.15	Jan. 3	Dec. 3
Silverw'd's W.D. p.	1.25	Jan. 3	Dec. 10
Simpsons pf.	1.12½	Dec. 15	Nov. 15
So. Can. Pwr.	.30	Feb. 15	Jan. 20
Do. pf.	1.50	Jan. 15	Dec. 20
Sover'n L. 20-25% pd	6.00	Dec. 15	Dec. 1
Springer Sturg. M.	.03	Jan. 5	Dec. 15
Stedman Bros.	.15	Jan. 3	Dec. 15
Stovel Press	*.12½	Jan. 15	Dec. 31
Sylvanite Gold	.01½	Jan. 3	Oct. 30
Taylor-Pear.	.25	Jan. 2	Dec. 11
Tamblyn	.25+.45	Jan. 3	Dec. 10
Do. pf.	.50	Jan. 3	Dec. 10
Teck-Hughes M.	.05	Feb. 1	Dec. 11
Traders Fin. A & B N.	.25+.25	Jan. 3	Dec. 15
Do. pf.	1.12½	Jan. 3	Dec. 15
Trans. Can. Shs. Ser. A	0.276	Dec. 1	Coup. 31
Tri-West Pet.	.02½	Dec. 15	Nov. 15
Tip Top Tail.	.15	Jan. 3	Dec. 1
United. Amuse. A & B	.50+.50	Nov. 30	Nov. 15
United Fuel A pf.	.75	Jan. 3	Dec. 10
United Steel	.12½	Dec. 30	Nov. 15
Upper Can. M.	.02½	Dec. 3	Nov. 12
Viau Ltd.	.25	Jan. 3	Dec. 10
Do. pf. 5%	1.25	Jan. 3	Dec. 10
Viceroy	.12	Dec. 15	Dec. 1
Wabasso Cot.	.25	Jan. 3	Dec. 11
Waite Amulet	.50	Dec. 10	Nov. 24
Hiram Walker	.50	Dec. 15	Nov. 19
Waterloo Trust	2.75	Jan. 3	Dec. 24
Westeel	.50+1.00	Dec. 15	Nov. 25
Wilsils	.25	Jan. 3	Dec. 1
J. C. Wilson	.15	Dec. 15	Dec. 10
Winnipeg Elec.	.50	Dec. 31	Nov. 15
Do. pf.	2.50	Dec. 31	Nov. 15
Woods Mfg.	.50	Dec. 17	Nov. 17
Wool Combing	.40	Jan. 10	Dec. 24
Wright-Harg.	.03½	Jan. 3	Nov. 26
York Knit. A	.20	Dec. 31	Dec. 15

†N. Y. funds. *Initial.
‡Net after deducting C.I.T.
♦Payable 1949. ▲Extra.
■Eliminating arrears.



New Highs & Lows

During the week ended Nov. 27, 17 new highs were recorded among the general stocks on Canadian Stock Exchanges and 18 new lows. In the mining group there were 6 new highs and 41 new lows; 23 new highs among the western oils and one new low.

GENERAL

New Highs—1948

Can. Bk. of Comm.
Candn. Bronze pf.
Can. Locomotive
Can. Westingh'se
Cosmos Imperial
Dom. Engineer
Loblaw A
Mid. Pac. Grain
Monarch Life
Montreal Locomo.
Paul Service St'n
Sick's Brew.
Do. V.T.
Traders Fin. B rts.
Tuckett Tobacco
Viau
Windsor Hotel

New Lows—1948

Argus warrants
Candn. Food A
Candn. Tire
Dom. Fabrics
Donnell & Mudge
Do. A
Famous Players
Ind. Accept. 5% pf.
John Labatt
London Hose. A
Maritime Tel.
Molsons
Morrison Brass
St. Law. Corp. 1st pf. n.
Scythes & Co. pf.
Stedman Bros.
Tor. Gen. Trust
W'minster Paper

MINING

New Highs—1948

Lebel Oro
Norgold
Red Hawk
Sheep Creek
United Keno
Westville

New Lows—1948

Anglo-Rou.
Aquarius
Astoria Que.
Aunor
Campbell R. L.
Century
Cons. Duq.
Cortez
Delnite
Dome
Eureka
God's Lake
Gunnar G.
Hedley M.
Kerr-Addison
Kirk. Lake
Lensourt
Lingman Lake
Louvicourt
Macho R.
MacLeod
Madsen R. L.
Mylamaque
N. Louvre
Norbenite
Osulake
Pamour P.
Pen-Rey
Porc. Reef
Queenston
Richmac
Sladen Mal.
Steep Rock
Sylvanite
Thurbois
Toburn
Upper Can.
Vinray
Wekusko
Winchester
Wright-Harg.

OILS

New Highs—1948

Alta. P. Cons.
Alliance
Anglo-Can.
Atlantic
British Dom.
Cent. Leduc
Commoil
Davies
East Crest
Hanna
Home
Leduc Cons.
McDougall-S.
Mercury
Mill City
Model
Pacific P.
Do. rts.
Princess
Spooner
Superior
Warner

New Lows—1948

Nat. Cont.

Municipal Bonds

Nov. 30, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55-66	96½	99½	3.79
Vancouver	3	'67	89	92	3.58
Calgary	3½	'62	98	101	3.44
Edmonton	3½	'60	98	101	3.39
Regina	3	'64	91	94	3.49
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg	2¾	'66	92	95	3.12
Ottawa	3	'54	101	103	2.43
Toronto	2¾	'72	91	94	3.11
Hamilton	3	'60	98½	100½	2.94
Windsor	2½	'75	72	75	4.01
Quebec	2¾	'66	89	92	3.38
Halifax	3	'66	93	96	3.31
Saint John	3½	'65	99	102	3.34
Windsor	2¾	'75	76	79	4.02
Windsor	3½	'75	88	91	4.04
Montreal	3	'70	91	94	3.38

Grain Prices

Winnipeg Grain Futures

Week to Nov. 29, 1948

Crop year from Aug. 1, 1948 High	Low		High for week	Low for week	Close Nov. 29
		Oats			
.81½	.68⅞	Dec.	.81	.78½	.79¼
.78¼	.70¾	May	.78¼	.77¼	.77¾
.75⅛	.71½	July	.75⅛	.74	.74¾
		Barley			
1.14	.98	Dec.	1.13⅝	1.10⅞	1.10⅞
1.10¼	.98¾	May	1.10¼	1.08⅛	1.08¾
1.07½	1.04⅛	July	1.06¾	1.05	1.05⅝
		Rye			
1.98¾	1.39¼	Dec.	1.65	1.56	1.56
1.79	1.40½	May	1.68¾	1.61½	1.61½
1.72	1.58	July	1.64	1.58¾	1.58¾
		Flax			
4.32½	4.00	Nov.	4.02⅝	4.00½	4.02⅝
4.27½	4.00⅜	Dec.	4.02	4.00½	4.00½
4.10	4.02	May	4.11½	4.08½	4.11½

Cash Quotations

For Week

	Nov. 29 High	Nov. 29 Low	Prev. Week High	Prev. Week Low
Oats				
2 C. W.	.85⅞	.79¼	.87½	.84⅞
3 C. W.	.85⅞	.78⅝	.87½	84⅞
Barley				
1 Feed	1.10½	1.07⅜	1.18¼	1.09⅛
2 Feed	1.10¼	1.05⅞	1.17¼	1.07⅝
Rye				
2 C. W.	1.63½	1.56¼	1.66⅞	1.65
Flax				
1 C. W.	4.02	4.00½	4.00	4.00

Unlisted Mines

Supplied by the Broker-Dealers' Association of Ontario

Approximate quotations, 3 p.m., Nov. 29, subject to confirmation and change:

	Bid	Ask
Abenakis	3½	4
Advance	3½	4
Alexander	3	5
Aljo	1	2
Ama Kir	6	7
Anna'que	1½	2½
Argonaut	2½	3½
Audley	¾	2
Auterra	1	2
Aurora Y	10	12
Baker	1½	2½
Barb L N	2	4
Beauriv	3	5
Bi Ore	40	42
Blondor	2	3
Bouzanne	9	12
Bour C	1½	3
Bradnor	1	3
Braminco	16	—
Br Breest	2	4
Bravo	2	3
Bright RL	2½	3½
B McDade	5½	7½
Bulldog	31	35
Burley Po	1½	3
Camlaren	3	5
Captain	9	11
Carricona	¾	1½
Cassidy	2½	3½
Cent M	9	12
Cock RL	2½	3½
Columbier	2	4
Con Chib	18	22
Cons Cop	7	8
Courageo	2	4
Craibbe	4	6
Croydon	3	4
Cuyuni N	55	60
Delhi	11	14
Derlac	1½	2½
De Sant	2	4
Dom Mal	½	1½
Durham	7½	10
Doris	1½	3
Echo Ind	4½	6
Elmac	3	4
Erin Kirk	½	1½
Flicka	1½	3
Gan Cop	10	12
Gilbec	¾	1½
Goldpac	12	15
Goodrock	2	3
Gord Lebel	2	4
Gov Gold	4	6
Grnd Chib	30	40
Greenlee	8	10
Grndhog	10	15
Gwilliam	5	7
Halden	5	7
Habitant	2	4
Harp Mal	1	2
Hornfault	6½	8
Hayes Cd	½	2
Hugh-Pam	8	11
Independ	5½	7
Islepines	43	48
Joannes D	1	3
Kamlac	15	18
Ken Bay	5	7
Kenda Pe	6	8
Kenroy	1	2
Lk Expa	4	6
Lk Geneva	8	10
Lar-Add	2	4
La Salle	3½	4½
Lavalie	2	3
Legardo	½	1½
Lennie	2	4
Louvore	½	1½
Mallen RL	7½	8½
Marbenor	5	7
Marquete	1¾	2½
Mar Bird	3	5
Mary Ann	—	6
Mat Con	35	40
Mate Yel	4	6
Metalore	10	12
Miles RL	2	4
Mindus	9	11
Mink	1½	3
Mistassini	4	6
Moffat H	1	2
Mohawk P	2	4
Murbell	½	1
Murmac	19	22
McCuaig	4	6
McManus	5	6
Nat Mal	8	9
Nayb '45	3	5
Newcore	7	10
New Aug	6	8
New Mal	3	4
Nickel L	4	7
N Offsets	250	300
Norbeau	50	70
Norcourt	2½	4
Norford	1½	2
Normar	3	4
Nortyne	1	3
Novele P	2	4
Obalski	2	4
do '45	9	11
Obalski	2	4
Oklend	3½	4½
Olivet	1	2
Opemiska	14	16
Ordala	7½	8½
Ortona	3½	5
Pascalis	8	10
Pelangio	2½	3½
Payne	5	7
Phelps	1	1½
Pinnacle	½	1½
Poona Go	½	1½
Presdor	1½	2½
Privateer	13	17
Quejo	4	6
Quest	3	5
Rajah RL	1	2
Rand Mal	6	8
Raymond	1½	2½
Randona	4	6
Rebair	14	18
Redruth	2	4
Redwood	6	7
Richgroup	7	9
Russet	4	6
Rhyolite	3½	4½
Santiago	15	17
Sepha	4	6
Sheldon	8	10
Salmita	4	6
Silv Arro	3	5
S Dufit	10	13
Sovereign	8	10
Skynner	1	2
Starlight	2	4
Sun Bear	5	7
Thornhill	1½	2
Tiffany	1½	2½
Tobico	1	2
Tovarich	1	2
Val d'Bel	1½	2½
Viking	15	20
Vinray	3	4
Wesley	1	2
West RL	1½	2½
Wilwood	1	2
Y Davids	16	18
Yelknife	115	150
do vt	125	150
Zolota	30	34
Oils		
Franco	49	52
Granledue	27	35
Jupiter	17	19
Lingnora	16½	18
Major Oil	6½	7½
Nw Ranch	7½	8
Pac Oil Ref	7½	9
Pan W	36	38
Princess	35	38
S Braz	21	23
Tower P	32	35
Universal	2	4
Vermilion	35	40

EVERTHING CHANGES SOMETIME

Sooner or later all things change. Every experienced investor knows that business conditions of today are subject to changes in the future. That is why the best rule for protection of investment income and profits is in selection and diversification. Our current list could place some good suggestions and investment opportunities before you. Copy gladly sent on request.

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Big Western Oil Stock Boom Requires 'Rest Periods' on Calgary Exchange

Calgary Stampeders' win over Ottawa Roughriders at Toronto's Varsity Stadium a week ago has not been one whit more impressive, to oil stock investors at least, than the immense boom in western oil stocks which has recently featured the Calgary Stock Exchange. The boom has been closely paralled by an oil boom on the Toronto Stock Exchange, where trading at times has been predominantly in oil stocks.

Business has pyramided rapidly on the Calgary Exchange, trading figures show. On Sept. 30, 1948, only 72,457 shares were traded and even this was more than a few days earlier. After starting off at 210,430 shares a week ago Monday, volume swelled to 766,000 shares on Friday, Nov. 26, highest volume for any day since 1937, when a phenomenal 1.4 million shares changed hands on the Exchange as the Turner Valley oil boom reached its zenith.

On Monday of this week, volume mounted still higher with transactions covering 950,000 shares and traders forced to take time off to catch up during the trading period. On Tuesday the catching up period had to be extended to 15 minutes with queries coming over the wires from Toronto going unanswered until trading resumed. In Toronto the oil stocks have extended their rise impressively. A 11-year index high was established with Home Oil selling up to $14.50 a share on heavy volume.

Sharply increased activity on the Calgary Stock Exchange sparked a big demand for seats. These have moved up to the $3,000 to $4,000 level compared with about $1,100 a year ago. Seats, however, still had a long way to go to reach the high of about $15,000 established in the hey day of the Turner Valley boom.

Brokers now recall just how cheaply seats could have been purchased in the interval between booms. One Toronto broker says that at one time he was offered three Calgary seats at $75 each in settlement of a debt. Only one seat was taken at the $75 price, however, with cash demand for the balance.

A brokerage firm employee relates that he was offered (and that he refused) a Calgary seat—free—on the condition that he would pay up back dues of $100.

Seats are stated to have traded "many times" at a price of $50. So small was the volume of trading at times that the value of Calgary seats was probably greatest because of some advantage in commission rates on other exchanges.

There appears to have been a speculative accumulation of seats in the past week or so, in anticipation of still better things for the Calgary Stock Exchange.

Market Surprises Observers

After the tremendous volume of trading in oils of last week, many market observers had called for a sell off early this week. Oils, however, continued on their way up, with even the increased volume of selling failing to bring a halt to the momentum of the upswing. Much of the buying continued to emanate from New York but there was a very noticeable increase in buying by eastern circles. Wire houses, with lines through to the west coast, report a great increase in enquiries from Toronto brokerage firms, which apparently thought they might be losing out on some good bets.

A new oil discovery by Socony-Vacuum Oil Co. on leased crown lands 12 miles northwest of Hanna, Alberta, and 90 miles northeast of Calgary, (the Craigmyle well) has been undoubtedly an important factor in sending oil interest still higher. It was recalled that the Hanna No. 3 well showed about 240 ft. of oil and some water in a drill stem recently, suggesting that the oil-bearing area might be extensive.

The big upsurge in interest caused a further intensification of deal-making for new oil companies. With Imperial Oil selling at $20 on Tuesday, even though ex-dividend 25 cents, the big leader of the oil boom was still riding on the crest of its Leduc-Redwater oil discoveries, and there continued to be eager buyers for new oil deals.

STANDPIPE

Erected at Newmarket, Ontario, this 255,000 gallon Standpipe, for town water supply service, is an excellent example of steel plate construction which Toronto Iron Works has fabricated and erected for many progressive Canadian municipalities. Engineers are invited to submit their problems.

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Put Up $50,000 For Work On Black Lake Uranium

Transcontinental Resources announces that $50,000 cash is to be placed in the treasury of a new company to be formed for development of the Tobey pitchblende property in Northern Saskatchewan.

An official statement of T.R. reads:

"On Nov. 24, Transcontinental Resources Ltd. concluded negotiations with the Saskatchewan Government under which ministerial assent will be given to the transfer of the Tobey pitchblende property at Black Lake to a new company to be formed for development. Transcontinental has agreed to place $50,000 in the treasury of the new company to ensure funds for the season's work. Additional money will be provided as required, up to $1 million if results of exploration justify, in order to bring the property to production."

An official announcement of the Saskatchewan Government says in part:

"Funds up to a total of $1 million have been assured for an extensive mining development operation at the newly-discovered Black Lake uranium fields, 16 miles east of Stoney Rapids in Northern Saskatchewan following arrangements concluded in Regina on Nov. 24.

"Premier T. C. Douglas announced subsequently that ministerial assent will be given by the Dept. of Natural Resources for the assignment of the Black Lake uranium concession, known as the TR block to a new company to be formed by Transcontinental Resources, who will provide the necessary finances. Transcontinental have agreed to place $50,000 in the treasury of the new company to ensure adequate funds for next season's work. Additional moneys will be provided as required up to a total of $1 million in order to bring the pitchblende deposits on the concession to an appropriate level of production.

"The TR concession block was originally granted to prospectors LeRoy A. Tobey of Meota, Saskatchewan, and his partner, John Albrecht of Stoney Rapids to cover important discoveries of pitchblende made late last August while prospecting under the Saskatchewan Government's Assistance plan. The showings were subsequently opened up by a limited amount of trenching and stripping for a distance of over 2,000 ft. Lengthy sections of the zone are estimated to contain about 0.5% uranium oxide over mining widths, equivalent to $27.50 per ton. Shorter lengths of material grading up to 29% uranium oxide are present.

"Provision of hydro power for the anticipated mining operations at Black Lake in the future was discussed by Saskatchewan Government and Transcontinental Resources officials. It has been intimated that power in excess of 100,000 hp can be produced at Elizabeth Falls within six miles of the known pitchblende veins. More than two years ago the Dept. of Natural Resources foresaw the possibilities of important mining developments in the area and established a gauging station on the Fond du Lac River. Early next year a party will be sent to investigate the power site.

"Transcontinental Resources has already applied to develop power at this point and machinery has been set in motion for its consideration by the appropriate government departments. In the final analysis, all applications for hydro-power sites must be considered by the Legislature."

FALCONBRIDGE NICKEL MINES advises that 22,100 shares have been taken up at $3 a share under option granted to certain employees of the company on Apr. 12 last. Issued Capital is 3,369,607 shares.

Grant 15 Areas At Uranium Find

Some 15 concessions have been awarded by the Saskatchewan Government to date covering the new uranium-pitchblende find of Transcontinental Resources at Black Lake, 100 miles due east of Goldfields, The Financial Post is informed. The concessions, two miles wide, are reported to cover an acreage of approximately 245 sq. miles.

Size of concessions and holders follow:

Block "A," covers five sq. miles, held by Black Lake Mines and controlled by Glen A. Wilton, Wm. Richardson and H. W. Knight Jr., all of Toronto; Block "B," covers 15 sq. miles, held by Albright Uranium Mines and controlled by the above interests; Block "C," covers 25 sq. miles and held by J. H. C. Waite, Toronto; Block "D," covers 30 sq. miles and held by the Wilton, Richardson, Knight team; Block "F," covers 15 sq. miles and held by H. M. Chisholm and F. J. Crawford, Toronto; Block "G," covers 15 sq. miles and held by Evan Donaldson, Toronto; Block "H," covers 25 sq. miles and optioned to unstated interests for $15,000; Block "L" and "U", covering 15 sq. miles each are held by Wm. Richardson; Block "M," covers 10 sq. miles and held by J. J. Byrne, Toronto; Block "V," covers 28 sq. miles and is held by Wm. Richardson; Blocks "X and W," covering 10 sq. miles each are optioned to unstated interests for $8,500 each.

Vermilion Range Extension Will Be Sought in Canada

About 35 miles north of the Vermilion iron range in the United States, a newly formed company, Head of the Lakes Iron Ltd., plans an extensive diamond-drilling program on an indicated iron structure which appears to cover part of the northerly strike of the Vermilion range in Canada.

Possibilities of the property which extends for 7½ miles in the Rainy River district were recognized as early as 1916 when Dr. A. L. Parsons, then of the Ontario Department of Mines, outlined strong iron formation underlying the waters of a string of lakes by a dip needle survey. Because the property was not open for staking at that time (it is in Quetico Provincial Park), staking and exploration were not undertaken until World War II when Sarpedon Iron Mines acquired the ground. This company did further dip needle work and confirmed the presence of iron below the string of lakes in shallow drilling along a length of 12,000 ft.

Seek Lump Hematite

While the presence of excellent iron formation was established, iron ore was not proven up because the leaching out of the silica impurity has not extended through to the shallow depths investigated, the management feels. It is thought that deeper drilling will locate the high-grade lump hematite ore which is the objective of the present exploration program. In the Vermilion range, the hematite is usually found lower down and is mined underground at depths up to 3,000 ft. Vermilion's lump hematite is required for mixing with the soft hematite of the Mesabi range.

It is expected that a diamond-drilling contract will be let soon to Boyle Bros., who have a heavy drill available at Port Arthur, suitable for putting down the 500-ft. holes proposed. A gravity meter will also be used to assist in locating the drill holes.

Authorized capital of Head of the Lakes Iron is 3.5 million shares of which a million shares have been issued for properties to Sarpedon Iron Mines. A total of 70,000 shares has been underwritten by A. B. Davidson & Co. for a total of $21,000. Options have also been granted on an additional 930,000 shares at 30 cents a share and 500,000 shares are under option at 70 cents a share.

Powell Pushes Development
Attacks Raises and Drifts

Anticipating only slight restrictions from hydro power cuts, Powell Rouyn Gold Mines is pushing five headings in mine development, together with raises for stope preparations, The Financial Post is advised. Regular shipments are being made from the Donalda and Anglo-Rouyn properties to the Powell mill.

Drifting has advanced 3,000 ft. to the south of the main shaft on the 1,700-ft. level and ore of marginal grade has been opened for a length of 150 ft. Latterly the drift has encountered silicified porphyrized granite carrying grade well above mine average across drift width.

The drift on the 1,200-ft. level is being advanced north to explore depth continuity of the north-west vein which has already been prepared for stoping on the 900-ft. level over a length of 350 ft. averaging 0.175 oz. across 6 ft. New ore has been disclosed in the south drift on the 2,300-ft. level at a point 1,800 ft. south of the shaft.

Horizontal diamond drilling to the hanging wall zone, in the south-central zone on the 2,000-ft. level, has returned favorable ore and structural intersections, it is understood. Lateral development will be undertaken on completion of the current drilling program.

The 500-ton daily capacity mill was reopened last month to start treatment of 200 to 250 tons of ore each per day from Donalda Mines and Anglo-Rouyn Mines. Donalda started shipping Oct. 25 and Anglo-Rouyn on Nov. 3. Milling charges run at the rate of $2 a ton with payment on the basis of 95% of the gold recovered. Balance of tonnage will be supplied from the Powell mine.

RECENT B-A OIL APPOINTMENT

D. L. CAMPBELL

Announcement has been made by M. S. Beringer, Vice-President in Charge of Manufacturing for British American Oil Company Limited that Mr. D. L. Campbell, formerly manager of the Calgary refinery, has been appointed to the position of Manager of all B-A refineries, with headquarters at Toronto. *

See FAIRBANKS-MORSE

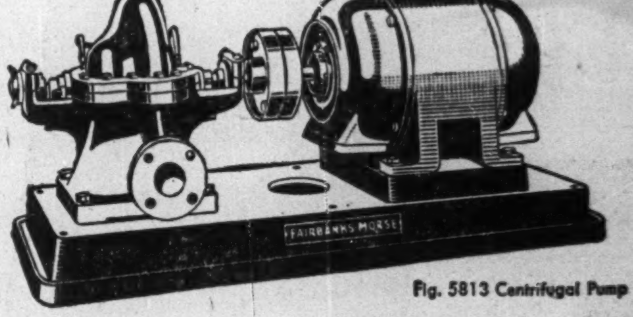

Fig. 5813 Centrifugal Pump

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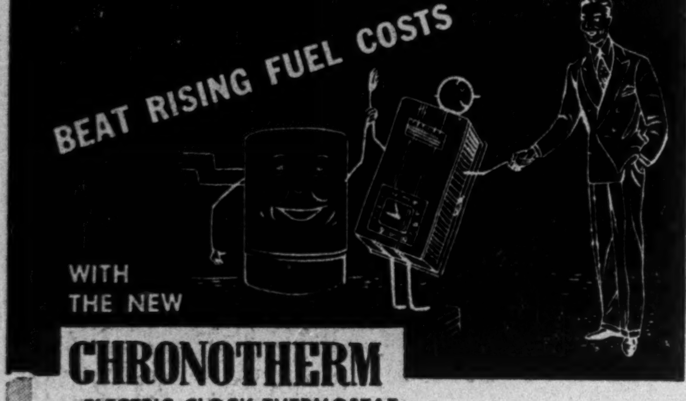

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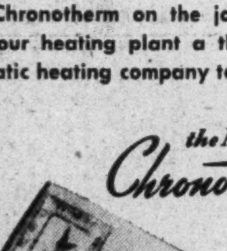

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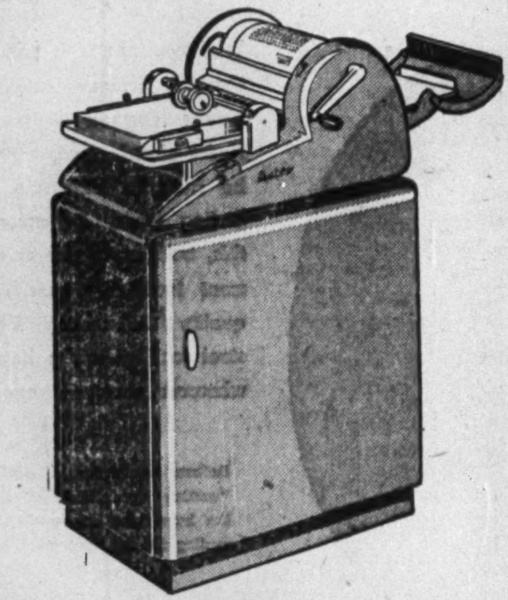

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Malartic Gold Fields Profits Move Ahead As Tonnage Milled Highest in History

By GORDON M. GRANT

Fruits of an expansion program stretching over the past few years are now being reaped by Malartic Gold Fields with profits showing a major increase in the latter part of this year.

After the new milling unit of 800 tons capacity was completed at No. 2 shaft last June, the original 800-ton unit was moved to No. 2 shaft as well, to bring over-all capacity to 1,600 tons daily, against an 800-ton previous peak capacity.

Since early in October a production rate of 1,100 tons daily has been maintained against 740 tons in the first quarter. Only the power shortage has been between the company and a milling rate of 1,600 tons daily. It is believed that the company can hold a rate of 1,100 to 1,200 tons daily with present power and carry on moderate development with a 1,600-ton rate a good possibility next spring.

Operating Profits Jump

Operating profits in the third quarter of the year—before the increase in mill capacity became effective—totaled $226,288 compared with $145,026 and $123,654 in the second and first quarters of 1948. An additional $130,000 of cost-aid is estimated for the nine months' period. Operating profit for all 1947 was $112,374.

With a higher effective mill rate for the last quarter, operating profits plus cost aid for the year will likely prove in excess of $1 million. Operating profit for 1949 may prove well in excess of $1.2 millions exclusive of cost-aid assistance. Cost-aid should be on a sharply increased scale with an expanded output rate. Rated capacity will be reached in the second quarter of 1949, it is hoped. Indebtedness incurred by expansion can be retired during 1949 on the basis of anticipated results.

Seven Years' Ore

Even on the basis of the milling of 1,500 tons of ore daily, the mine has sufficient reserves for seven years' operations and appears to be one of the best-equipped gold mines of the Dominion as far as ore reserves are concerned.

A new ore body has been opened to the west on the 1,200-ft. level. This ore occurs 100 ft. north of and west of No. 10 ore body and drifting has been carried 180 ft. west of any previous work. Sampling has indicated a grade of 0.25 oz. gold per ton with widths stated to exceed 25 ft. The west face continues in ore and drifting is to be continued with lateral exploratory drilling across the main shear zone.

No. 10 ore body, which was first opened up on the 1,200-ft. level, has now been disclosed on all levels from the 450 down having an average length of 300 ft. with widths varying from 12 to 30 ft. Grade is above mine average. Drifting has now been completed on the 1,050-ft. level over a length of 320 ft. Stoping operations are now proceeding on the 1,200-ft. level over a length of 300 ft. with widths up to 40 ft.

Development work is proceeding on the 900- and 1,050-ft. levels. Further work on the 750-ft. level has been confirmatory of the marked vertical continuity of the multiple ore structures. There are now total ore lengths exceeding 1,800 ft. across widths varying from 7 to 33 ft. The seven ore bodies occur across the shear zone for a north-south width of 200 ft. or more. To the present stage of development, there are indicated in excess of 3,100 tons per vertical foot. This tonnage measure is expected to be expanded by work to the north and west.

While no work has been done recently at the No. 1 or east shaft, it is expected that development of the vertical block from 1,200 to 1,800 ft. vertical will start next spring. A limited amount of work already completed at the 1,800-ft. level indicates the downward extension of the geological structure which carries the ore.

Malartic Gold Fields has important untested ore possibilities and it is planned to pay some attention to these. A length of 5,000 ft. of favorable formation lies to the west of No. 2 shaft workings which has yet to be investigated. A magnetometer survey is planned of this section followed by surface diamond drilling. The main west drift is also to be extended along the contact with subsequent drill exploration.

The south zone located 1,000 ft. south of the No. 2 shaft ore bodies, has several potential zones indicated. It is planned to proceed with underground development of these by crosscutting south on the 1,200-ft. level from No. 2 shaft.

New mining and facilities have been designed to permit further expansion as this may be warranted. Malartic Gold Fields has thus become one of our larger gold producers with still further chances for expansion.

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Established 1886
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OSLER BUILDING, 11 Jordan St. (cor. Melinda) TORONTO
ADelaide 2431 Cable Address RELSO

MINING INVESTMENTS

Base Metal Shortages Aid the Grey Market

Increasing shortages of supplies in American base metal markets have started a scramble for available supply and a willingness of customers to pay higher prices for requirements. Last week buyers reached out to the grey market to purchase two small lots of electrolytic wire bars at 28.50 cents, five cents per lb. above the prevailing market price of 23.50c at New York.

Offerings of European origin lead have been made at higher prices at New York for some little time. One tonnage, due to arrive this month, has been offered at 26.50 cents per lb., some five cents above the market. Another moderate tonnage has been offered at 25¾ cents.

Workers' strike at the big Kennecott plant in Utah, stockpiling efforts of the United States Government and upward revision in copper requirements for ECA under the Marshall Plan, have left few, if any sellers, with any unsold copper.

Release of the new list for Marshall Plan shows an additional $4,307,760 for copper on top of the earlier announcement of $35,761,000. Included in the latest list are the following:

$1,425,000 for copper and copper products to be shipped from the U. S. in the 4th quarter to the U. K.; $975,000 from the U. S. to the U. K. in first quarter 1949; $194,760 from Canada to the U.K.; $880,000 from the U. S. to the Netherlands; and $833,000 for copper wire and cable from the U. S. to Italy.

* * *

Joins American Zinc Lead

Recognition of the growing importance of Canadian mining by American interests is evidenced by election of Harry W. Knight, senior partner of Draper Dobie & Co., Toronto broker, and president of Golden Manitou, Chesterville Mines and International Metal Industries, to board of directors of American Lead Zinc & Smelting Co., big U. S. metallurgical operation.

Close identification of Mr. Knight with the American Lead Zinc encourages hope for revival of the projected zinc refining operation for the Province of Quebec. It will be recalled that plans for this project which were well along had to be shelved because of the great increase in indicated capital costs for the project.

Higher prices for zinc make the zinc refinery more attractive than ever but construction costs have also risen sharply, however, so that the refinery still appears some distance ahead.

* * *

Silver Prices Ease

The one-and-a-half-cent-an-ounce cut in silver to 72¼c dropped prices to the lowest point since Oct. 29, 1947, when trades were handled at 71¾c an oz.

Further strengthening in aluminum scrap prices has caused smelters to boost prices one quarter to three quarters of a cent per lb. for remelt ingot. The increase, however, came from smelters who previously were quoting the lowest prices.

* * *

The recent boost of two cents per lb. in slab zinc prices has finally caught up with the consuming trade in the United States where steel companies have advanced prices from six to 20c extra on galvanized sheets. The price rise also applies to pipes and other products coated with zinc.

* * *

Big Boom For Smelters

Skyrocketing zinc prices to the highest level on record is going to mean an additional $30 millions annually to Consolidated Mining & Smelting Co. — based on 1947 production — a brochure prepared by Osler & Hammond, stock brokers, Toronto, points out.

"The 1948 showing will not only reflect for a full 12 months the price advances of 1947 but also will partially mirror further increases effected during 1948, while in 1949 the operation should benefit for a full year from price advances of 1948. Following three increases this year totaling 4½c to 5c per lb., zinc is selling at the highest price since the first world war, and 1948 increases totaling 6½c per lb. have placed the price of lead at the highest level on record."

REDWATER PETROLEUM advises that Stuyvesant-North has agreed to purchase 400,000 shares at 20 cents by Dec. 15, 1948, of which $20,000 has been received as part payment to date. Same interests optioned 1,599,995 shares at 25 to 80 cents, all payable by May 15, 1950. Authorized capital three million shares; issued 1,400,005; escrowed 900,000; filed Nov. 19.

DENALLAN GOLD MINES advises that Ontario Securities Commission has accepted particulars of sale of shares to the public through registered brokers in Ontario on the basis of 75% to the treasury. Authorized capital 3.5 million shares; issued 1,947,503; escrowed 1,096,500; filed Nov. 20.

McLellan Buys Group At Pitchblende Find

Purchase of a 12-claim group tying onto the north of the original Robert Campbell pitchblende find in the Alona Bay area, north of Sault Ste Marie, is announced by McLellan Gold Mines. The company has made a firm commitment of $12,000 and is now forming a new company to embark on preliminary exploration.

The property was staked by Prospector Norbert Millar and is reported to be close to the spot where Campbell made his recent uranium pitchblende discovery.

Quebec Gold Production Rose 22.6% in 9 Months

Gold production from the straight gold operators and from the base metal producers in Quebec increased 22.6% to $19,580,785 in the nine months ended September, 1948, Mines Minister Gagnon reports. Tonnage of ore treated at 4,290,393 tons was 34.6% above 3,186,495 tons handled in the similar period of 1947.

The largest percentage increases occurred in the five base metal mines, where bullion output jumped 53.9% to $4,124,225 and tonnage of ore treated gained from 1,115,801 tons last year to 1,574,549 tons in the first three quarters this year. Golden Manitou, Noranda and New Calumet all showed fairly important gains in value of gold output.

Gold output increased from 62,827 oz. in August, 1948 and 53,306 oz. in September, 1947 to 68,386 oz. in September, 1948.

Value of gold production and tonnage figures for straight gold and base metal mines in first nine months this year follow:

Gold Mines:	Tonnage	Value
Belleterre	99,917	$1,097,985
Can. Malartic	254,205	853,825
Cons. Beattie	342,910	1,291,885
C. Cent. Cadillac	83,901	391,125
East Malartic	218,617	974,610
Elder	68,662	319,795
Hosco	12,623	53,340
Lamaque	250,190	1,807,260
Louvicourt	96,750	438,480
Malartic G. F.	211,530	1,509,480
New Marlon	45,846	291,970
New R. Merger	14,921	70,070
O'Brien	43,422	810,880
Perron	78,877	527,730
Powell Rouyn	92,458	402,395
Senator Rouyn	89,828	393,155
Sigma	303,456	1,854,685
Siscoe	47,735	427,175
Sladen	156,847	429,345
Stadacona	98,756	660,170
Sullivan	104,393	798,105
Other mines	......	53,095
Total	2,715,844	15,456,560
Base Metal Mines:		
Golden Manitou	252,700	194,705
New Calumet	145,678	78,155
Noranda	693,895	3,380,370
Normetal	172,925	99,365
Waite-Amulet	309,351	371,630
Total	1,574,549	4,124,225
Grand total	4,290,393	19,580,785

The SHERWIN-WILLIAMS COMPANY of Canada, Limited and Wholly Owned Subsidiary Companies

Annual Report of Board of Directors for the Year Ending August 31, 1948

TO THE SHAREHOLDERS:

Herewith is submitted, on behalf of your Directors, the Consolidated Balance Sheet showing Assets and Liabilities of your Company and its Wholly Owned Subsidiary Companies at the close of its fiscal year August 31 1948, together with the Consolidated Statement of Profit and Loss and Earned Surplus.

Your auditors, Messrs. Price, Waterhouse & Co., have examined the books and accounts of the Company and their certificate and report to the Shareholders is attached.

As has been our custom, all properties and plants of your Company have been maintained in proper condition and the sum of $428,125.65 has been added to Reserve for Depreciation which now stands at $3,382,410.42.

The expansion of the Company's production facilities, which has been proceeding since 1944, was completed during the year, with some minor exceptions, and it is expected that expenditures for these purposes will be in more normal amounts in the immediate future. The total cost of the program amounted to over $2,500,000.00 for the period from 1944 to 1948 and has been provided for out of earnings, notwithstanding which, Working Capital of the Company has been increased since 1944 by $172,513.36.

Bank indebtedness amounted to slightly less than a year ago in spite of greatly increased sales volume with consequent higher Inventories and Accounts Receivable. Manufacturing and raw material costs also increased during the year, although we had no compensating increases in the selling prices of our products. Attention is also directed to higher freight rates, wage and labor costs, interest charges and depreciation.

Sales and Net Profit results for the year reached new high records but increased operating costs referred to above had a direct bearing upon our Net Profit position so that the improvement there has not kept pace with our sales achievement.

Shareholders will be interested in learning that the newer products of the Company in the Insecticide field, Green Cross Insecticides and Agricultural Weed-No-More, together with Kem-Tone, the largest selling wall finish on the market, and Lin-X Home Brighteners, a complete line of household waxes, polishes and cleaners, have contributed largely to the sales increases shown by the Company during the year, and our research facilities are constantly working on the development of new lines.

The Net Earnings of the Company, after making all deductions as shown on the Consolidated Statement of Profit and Loss and Earned Surplus, amounted to $1,348,681.57 as compared with $1,020,443.89 for the previous year. These earnings are equivalent to $38.97 per share on the Preferred Stock of your Company as against $29.68 in the previous year, and to $4.92 per share on the Ordinary Stock as against $3.49 per share for the year before.

Total Current Assets of your Company as shown on the Consolidated Balance Sheet amounted to $13,602,470.78 and Current Liabilities to $7,649,230.60, leaving Net Current Assets of $5,953,240.18.

During the year dividends were paid on the Preferred Stock in the amount of $242,200.00 and on the Ordinary Stock in the amount of $224,720.00.

The Earned Surplus at the end of the fiscal year amounted to $7,376,443.56 as compared with $6,494,681.99 at August 31 1947, an increase of $881,761.57.

The staff of the Organization discharged their duties throughout the year loyally and efficiently and to them the Management extends cordial thanks.

Respectfully submitted,
A. W. STEUDEL,
Chairman.

Montreal, Que.
November 18 1948.

CONSOLIDATED BALANCE SHEET, AUGUST 31, 1948

ASSETS

CURRENT ASSETS:		
Cash on hand and in bank	$ 309,215.00	
Trade accounts receivable, less reserve	4,974,842.61	
Other accounts receivable	96,585.61	
Inventories of raw materials and supplies, goods in process and finished merchandise, stated on the basis of the lower of cost or market	7,799,378.72	
Portion of excess profits tax recoverable in 1949	105,618.61	
Insurance, taxes and other prepaid expenses	316,830.23	$13,602,470.78
OTHER ASSETS:		
Portion of excess profits tax recoverable in 1950-52	$ 459,587.11	
Sundry accounts receivable, including $9,497.49 owing by shareholders	80,530.26	540,117.37
INVESTMENTS IN AND ADVANCES TO PARTLY OWNED SUBSIDIARY COMPANIES:		
Investments, at cost, less reserve	$ 351,175.20	
Advances	13,591.77	364,766.97
PROPERTY ACCOUNTS:	$12,229,861.38	
(Land and buildings, lease holds, machinery and equipment, formulae, trademarks and goodwill acquired in 1911 are included at cost measured by the par value of bonds and the stated value of shares issued as consideration for such assets; other properties are included at cost, with the exception of properties owned by three of the consolidated subsidiary companies which are stated at appraised values plus subsequent additions at cost.)		
Less: Reserve for depreciation	$3,382,410.42	8,847,450.96
		$23,354,806.08

Note: The replacement value new, less depreciation, of lands, buildings, machinery and equipment of one of the consolidated subsidiaries as of August 31, 1948, as reported by Dominion Appraisal Company Limited was $835,071.77; the replacement value new, less depreciation, of The Sherwin-Williams Company of Canada, Limited and the other consolidated subsidiaries as of June 30 1948, as reported by Canadian Appraisal Co. Limited was $6,196,451.57.

Approved on behalf of the Board:
JOHN C. NEWMAN, Director
WILFRID GAGNON, Director

LIABILITIES

CURRENT LIABILITIES:			
Bank Loans	$ 2,890,000.00		
Trade accounts payable and accrued liabilities	3,590,957.19		
Deposit accounts	10,591.00		
Income and other taxes	1,157,682.41		$ 7,649,230.60
OWING TO PARTLY OWNED SUBSIDIARY COMPANY			354,731.92
RESERVE FOR ALLOWANCES TO RETIRED EMPLOYEES			20,000.00
CAPITAL STOCK & SURPLUS:			
Capital Stock—			
Seven per cent. cumulative preferred—			
Authorized—40,000 shares of $100.00 each	$ 4,000,000.00		
Issued —34,600 shares of $100.00 each	$ 3,460,000.00		
No par value ordinary—			
Authorized— 225,000 shares			
Issued— 224,720 shares	$4,494,400.00		
Earned Surplus as per statement attached	7,376,443.56	11,870,843.56	15,330,843.56
			$23,354,806.08

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS FOR THE YEAR ENDING AUGUST 31 1948

Combined profit from operations— After deducting remuneration amounting in the aggregate to $170,584.98 for services of solicitors and counsel, executive officers and directors, but before provision for depreciation		$2,836,525.36
Add:		
Dividends from partly owned subsidiary companies		55,470.00
		$2,891,995.36
Deduct:		
Interest on bank loans	$252,742.44	
Provision for depreciation	428,125.65	
Allowances paid to retired employees	50,470.30	731,338.39
		$2,160,656.97
Deduct: Provision for Dominion and Provincial taxes on income		811,975.40
Net profit for the year ending August 31 1948		$1,348,681.57
Earned surplus, balance at August 31 1947		6,494,681.99
		$7,843,363.56
Deduct:		
Dividends of $7.00 per share on preferred stock	$242,200.00	
Dividends on no par value ordinary stock	224,720.00	466,920.00
Earned surplus, balance August 31 1948		$7,376,443.56

AUDITORS' REPORT TO THE SHAREHOLDERS

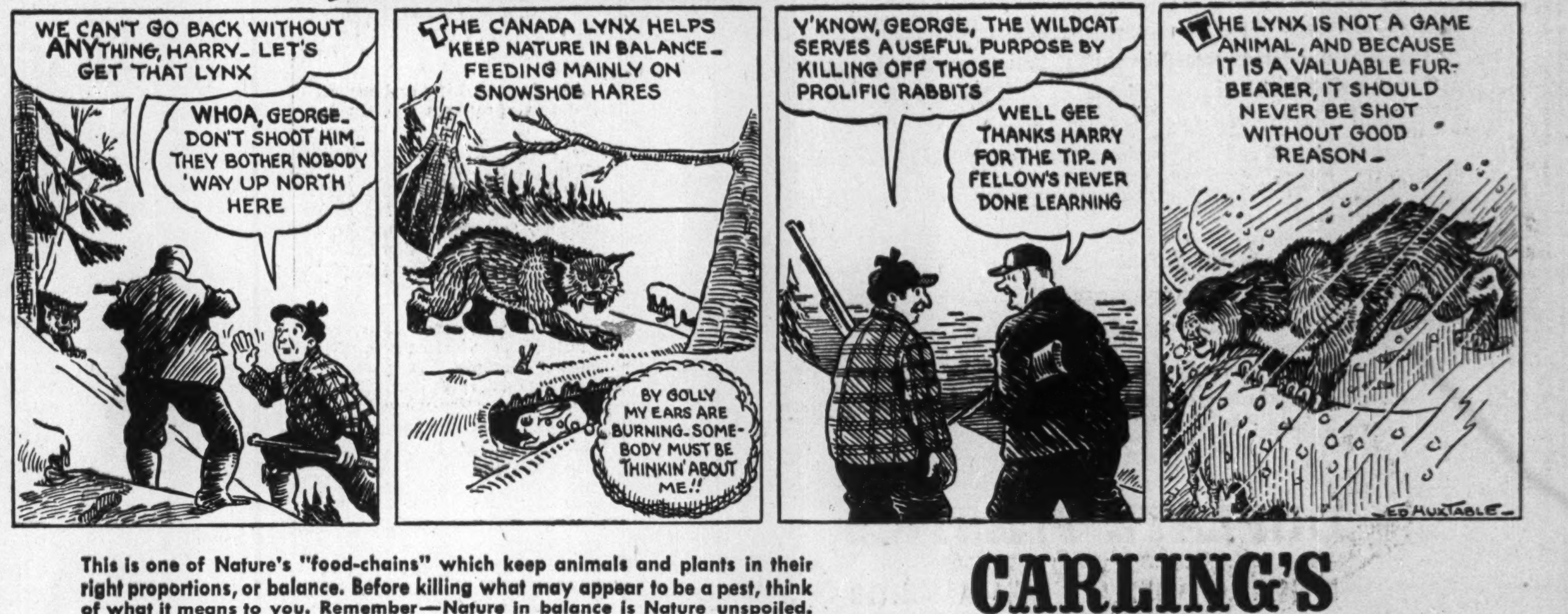
We have examined the consolidated balance sheet of The Sherwin-Williams Company of Canada, Limited and its wholly owned subsidiary companies as at August 31 1948 and the consolidated statement of profit and loss and earned surplus for the year ending on that date and have compared them with the books of the companies. We have obtained all the information and explanations which we have required and we report that, in our opinion, the above balance sheet as at August 31 1948, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited and its wholly owned subsidiary companies, according to the best of our information and explanations given to us and as shown by the books of the companies.

We also report that earnings of the subsidiary companies not consolidated are included in the accompanying financial statements only to the extent of dividends received.

Montreal, November 18 1948.

PRICE, WATERHOUSE & CO., Auditors.

CARLING'S CONSERVATION CORNER


WE CAN'T GO BACK WITHOUT ANYTHING, HARRY_ LET'S GET THAT LYNX
WHOA, GEORGE_ DON'T SHOOT HIM_ THEY BOTHER NOBODY 'WAY UP NORTH HERE
THE CANADA LYNX HELPS KEEP NATURE IN BALANCE_ FEEDING MAINLY ON SNOWSHOE HARES
BY GOLLY MY EARS ARE BURNING. SOMEBODY MUST BE THINKIN' ABOUT ME!!
Y'KNOW, GEORGE, THE WILDCAT SERVES A USEFUL PURPOSE BY KILLING OFF THOSE PROLIFIC RABBITS
WELL GEE THANKS HARRY FOR THE TIP. A FELLOW'S NEVER DONE LEARNING
THE LYNX IS NOT A GAME ANIMAL, AND BECAUSE IT IS A VALUABLE FUR-BEARER, IT SHOULD NEVER BE SHOT WITHOUT GOOD REASON_
ED HUXTABLE

This is one of Nature's "food-chains" which keep animals and plants in their right proportions, or balance. Before killing what may appear to be a pest, think of what it means to you. Remember—Nature in balance is Nature unspoiled.

†*Nature Unspoiled* — YOURS TO ENJOY — YOURS TO PROTECT

CARLING'S
THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO

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D-502

Casting for trout near Baptiste Lake

Fine Sport IN HALIBURTON

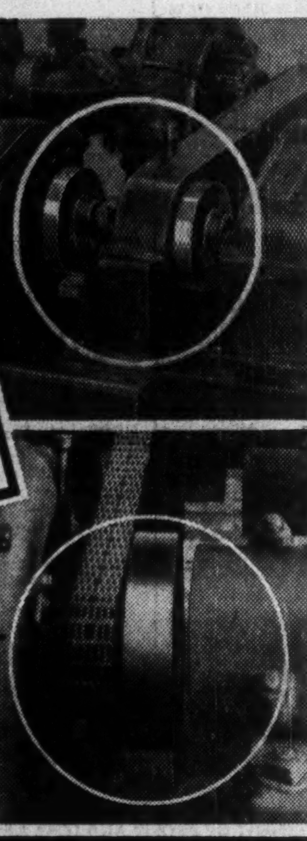
THE Haliburton Highlands, in the heart of Eastern Ontario, are an angler's heaven! Every year good catches of small mouth bass, and lake and speckled trout are taken. Highway No. 35 from Newcastle on Lake Ontario takes you to Haliburton in 100 miles. Bus and train service to main centres in Haliburton is a matter of between three and four hours from Toronto. Accommodation is good . . . whether you choose hotel, lodge or cabin variety. For information on where to stay, write to Highlands of Haliburton Tourist Information, Minden, Ont.

In Ontario we have a holiday paradise . . . let's do all we can to encourage visitors from across the border. Published in support of the tourist business by John Labatt Limited.

Labatt's
BREWERS SINCE 1832

LET'S MAKE THEM WANT TO COME BACK!

THETFORD MINES R.C. SCHOOL COMMISSIONERS QUE. new issue of $280,000 bonds has been sold to Gairdner & Co. The issue is dated Dec. 1, 1948 and due Dec. 1, 1949 to 1968. The $116,000 due in the first ten years is being offered to yield 3.35%; the $75,000 due in 11 to 15 years is offered to yield 3.60% and the $89,000 due in 16 to 20 years is offered to yield 3.65%.


For Electric Motor
Gasoline or Diesel
Engine Drives

STANDARDIZE ON
BLM
Automatic Centrifugal
CLUTCH

MADE IN CANADA

The simplest automatic clutch ever designed. Only 3 moving parts—Drive Body, Driving Mechanism, Driven Body. Eliminates starting shock—corrects misalignment automatically—reduces vibration. Over 12,000 installations in Canadian industry.

Write for New Catalogue

The Automatic Clutch Corporation of Canada
388 YONGE STREET TORONTO, CANADA

An
Offcolor Story

THE story is quite simple. It concerns plastic stove handles. On the stove in question the handles were cooking as well as the food and the result was not only shady but downright unpleasant for the manufacturer of the plastic handles.

He produced gleaming white stove handles from the same plastic that had been used successfully to make electric switch plates. Now stove handles must stand up to excessive heat and moisture — electric switch plates do not. When the stove was put in use, the handles shrank and became discolored because the wrong plastic material had been used. It is true that plastics are a "miracle" material but only when the *right plastic is used for the right job.* Neglect of this simple rule resulted in loss of goodwill and costly replacements. Today, through the selection of the *right* plastic, stove handles are being successfully designed and produced.

Duplate engineers and technicians know plastics. Their knowledge and experience is the success-proven way to select the right plastic, to have it moulded to your specifications.

As part of Duplate service in plastics, we will be pleased to send a chart showing basic properties required by certain general products made from plastic.

DUPLATE PLASTICS
DIVISION OF DUPLATE CANADA LIMITED
OSHAWA • ONTARIO

CONSTRUCTION TRENDS By CLIVE CHATTOE

"Where Are Extra Nails?" B. C. Builders Ask Action

British Columbia's lone nailmaker—Morrison Steel & Wire, Vancouver, to which builders in the coast province look for most of their nail requirement—didn't get any of the 5,000 tons of steel wire rod diverted from fence wire to nail production by federal order in the five months June 1-Sept. 30 (The Financial Post, June 12 and 19).

Nor did B. C. nail distributors and builders get any of the resulting 90,000 kegs of extra nails, which were distributed by Ottawa's Central Mortgage & Housing Corp., and which greatly alleviated nail shortage in the rest of Canada.

So say the National House Builders' Association and affiliated B. C. Building Contractors' Association. In a formal complaint to that effect, coupled with a demand on Ottawa for an emergency allocation of nails to British Columbia, NHBA Toronto headquarters last week wrote Steel Controller F. K. Ashbaugh suggesting (a) immediate shipment of five cars of nails from Eastern Canada, earmarked for the B. C. housebuilders, and (b) a substantial boost in allocation of rod to the Morrison plant.

It's claimed Morrison was promised between 200 and 300 tons of additional rod under last summer's emergency diversion from fence production.

"British Columbia builders are bitterly disappointed that they have not shared in the ex-quota production of nails for residential construction this year," the National Association says. It reports American nails being imported there in major quantity for distribution at $17.50 per 100-lb. keg, or about $10 over list for the Canadian product. This premium price, and building delays inherent in substantial reliance on U. S. supply, have increased housebuilding carpentry costs in the Coast province, the association complains.

Morrison Steel & Wire now is producing 14,000 kegs of nails a month, all of which is being distributed in British Columbia. Morrison General Manager S. J. Hammitt says his plant could increase its nail output 50% immediately if additional wire rod were available; that an increase in wire rod allocation to his plant from the present 700 to 1,000 tons a month would enable it to meet all B. C. requirements.

In Vancouver this week, BCBCA President James T. Auld added his voice to the complaint and proposal: "B. C. housebuilders must have more nails at once and a continuing better supply. While nail plants in the East have been producing at capacity, the B. C. plant can't get enough wire rod to look after essential building here."

* * *

'Wilderness' Housing Scheme Petering Out?

Canadian companies developing or expanding mine, forest and fishery operations haven't shown anything like expected interest in National Housing Act "loans to primary industries."

In the 16 months such loans have been available from Ottawa's Central Mortgage & Housing Corp., no applications have been received for Ontario, though much "company housing" has been built or projected in the period by basic industries in that region. Examples: The giant northern pulp and paper plants and townsites at Marathon and Terrace Bay; some smaller developments by mining firms.

Loan approvals to date cover six modest-size projects totaling 109 houses and apartments built or under construction in British Columbia and Quebec. Loans for those projects total about $400,000. In each case, building is completed or nearly so.

Mines and woods operations so far dominate. All projects so financed to date are being rented, though terms of the measure provide also for federal loans to housing for sale.

Quebec's two projects so financed are in mining, for 44 houses of conventional design and construction. B. C.'s four projects are in woods and mining, and include six houses prefabricated in Vancouver, 24 U. S. war surplus "portables" and 35 apartments in small blocks.

Here are individual projects:

Malartic Gold Fields Ltd.—Halet, Que.; project A, 11 single-family permanent houses, two and three bedrooms, completed and occupied; project B, 15 more of the same, under construction; average rent $30.

Sullivan Consolidated Mines Ltd.—Sullivan, Que.; 18 semi-detached, permanent two-story houses of five rooms, three bedrooms, completed and occupied; average rent $30.

Cariboo Gold Quartz Mining Co.—Wells, B.C., apartment blocks totaling 35 suites, averaging 4.4 rooms, 1.94 bedrooms, completed and occupied, with foundations in for 1949 construction of 16 more suites; rents $30, $40 and $45, according to size.

Port Neville Logging Co.—Johnstone Strait, B.C.; six single-family frame houses, four rooms, two bedrooms, mounted on skids, prefabricated in Vancouver and transported fully erected to the site, completed and occupied; rent $22.50 and $25.

Pacific Pulpwood Ltd. — Port McNeil, B.C.; 16 semi-detached U. S. ex-army war surplus frame houses imported from Bremerton, Wash., and mounted on skids at the new site, four rooms, two bedrooms, completed and occupied; rent $35.

Manning Timber Products Ltd.—Zeballos, Vancouver Island, B.C.; eight semi-detached "Bremerton" houses (same as for Pacific Pulpwood at Port McNeil), completed and occupied; rent $30.

Dominion Government loans to primary industries for workers' nonprofit housing are provided under NHA Section 9A, inaugurated summer 1947. Companies borrow up to 80% of a project's "lending value" as appraised by Central Mortgage (under today's conditions, "lending value" usually is well below actual cost). Mortgage repayment extends over up to 15 years, with interest at 4% a year, calculated semi-annually.

* * *

Appraiser's Job Grows Studies Whole Cities

Property appraisers traditionally are concerned almost exclusively with individual lots or tracts, with single or integrated groups of buildings. But, Housing Researcher Bill Duthie of Manufacturers Life tells The Post, they're beginning to outgrow the tradition; looking toward "appraisal" of property investment needs, opportunities and pitfalls in whole cities

This broadening of function and outlook of appraisers so far has developed mainly in United States but, as evidence of mounting Canadian interest in the idea, Toronto and the Society of Residential Appraisers will be host Dec. 7, to Frederick H. Allen, of New York, whose firm, Harrison, Ballard & Allen, is widely considered the continent's foremost consultant authority on housing and mass building.

At the forthcoming Toronto meeting of appraisers, Mr. Allen is expected to tell how his firm approaches "appraisal of a city" with regard to housing need and capacity, the market for rental housing, kinds of mass building investment most likely to earn a satisfactory return over many years.

Speaking before the American Life Convention in Chicago last month, Mr. Allen stressed that housing investments in cities need not, often should not be large: "Fifty units make an efficient rental housing development both in construction economy and management. There are 1,075 cities in United States in which such moderate size developments are needed and, if held to a minimum, would yield a good return over a long period."

Allen's consulting and research firm is three years old. In Jan. 1946, Allan S. Harrison, engineer and former director of public housing for New York city, William F. R. Ballard, noted architect and designer of three major projects, and Allen, experienced in real estate management and deputy mortgage officer of a large New York bank, pooled their experience and resources for private research into economic and technical aspects of the housing shortage.

Acting as consultants at all stages from measuring the demand, selecting the site, planning buildings and services, arranging finances, supervising construction and setting up a management policy for the completed housing, the three men are now well known in many American cities. Community planning studies are also made and highly qualified specialists in this science are included in the staff.

Today Harrison, Ballard & Allen has over 700 housing units to its credit in Eastern United States, a whole new town in the central zone, and a 1,200-unit apartment project of its design is slated to start in New York in January.

Further, The Post is told, the firm has helped to clear the air on housing problems for chambers of commerce, large industries, savings banks, insurance companies and philanthropists.

Largest recent undertaking is the New York rezoning study, commissioned by the New York Planning Commission to determine what improvements and simplifications may be accomplished in a possible revision of outmoded zoning regulations. Incidental to the job is preparation of land use and other maps covering individual classification of 850,000 parcels on 35,000 city blocks. Broad recommendations from this study are expected in June, at the end of the first year's work.

More facts about the Fairey 'Primer'

Structurally, the Fairey 'Primer' is of particular interest — and is suitable for *ALL* climates. The materials used have been chosen for a 'low first cost' machine. Wing and fuselage are of tubular construction, in which bronze welding is employed — advantages of this system are that for repair and maintenance tubing can be welded without harm to the mechanical qualities, and that the work need not be done by highly-skilled personnel.

The 'Primer' is a pleasure to fly, and fully aerobatic.

INSTRUCTOR'S COCKPIT
View in the rear cockpit showing the installation of all essential flight and navigational equipment. As can be seen in the photograph below, the field of vision is unequalled.

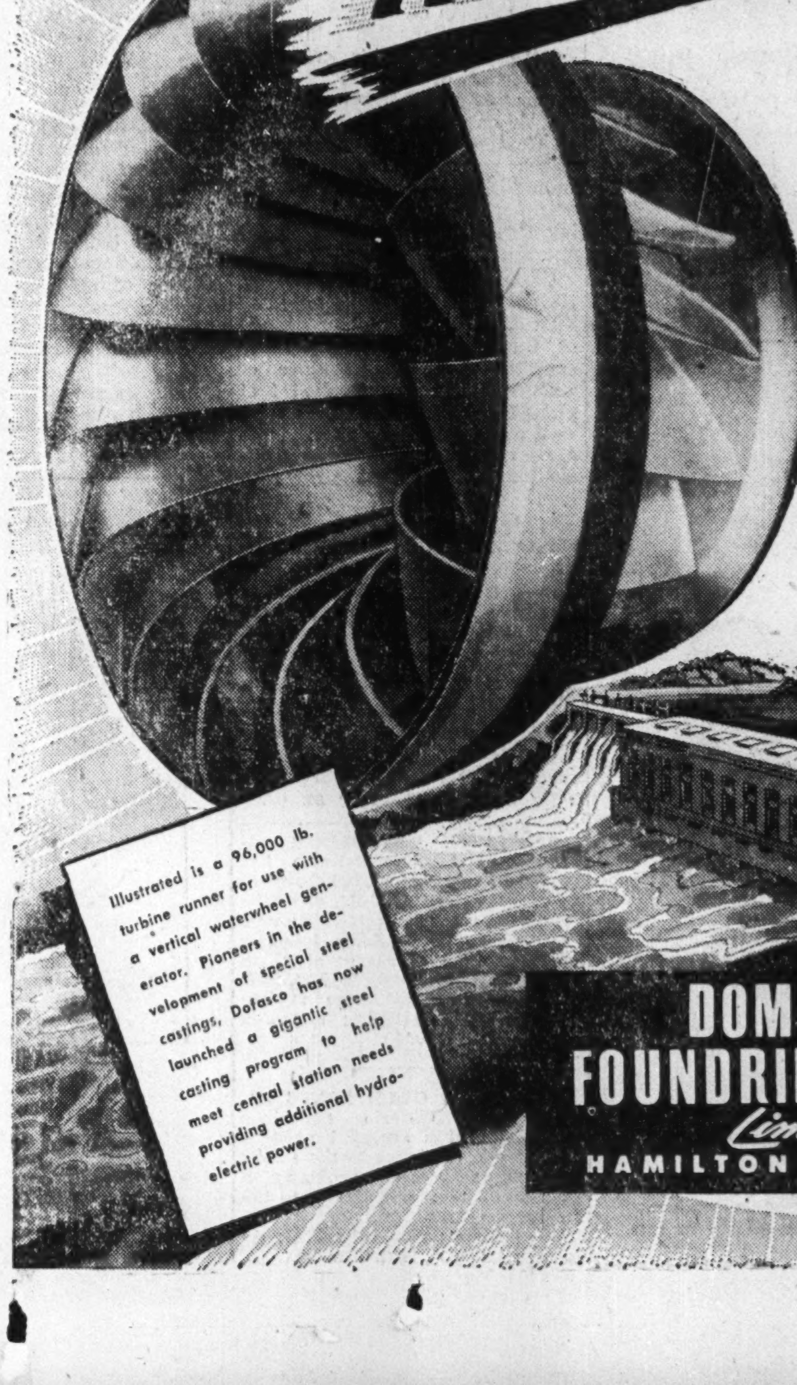
FAIREY 'PRIMER' AB INITIO TRAINER
[De Havilland GIPSY MAJOR — or Blackburn CIRRUS MAJOR]

THE FAIREY AVIATION CO. LTD., HAYES, MIDDLESEX, ENGLAND

Dofasco STEEL CASTINGS IN ACTION!

Wherever power is generated there is action — action that never ceases — therefore Hydro-electric equipment must be built to withstand never ending wear. To accomplish this, builders of power equipment invariably specify high quality STEEL castings. Dofasco steel castings are to be found wherever power is generated.

Dofasco maintains a staff of "casting specialists" to assist the buyer and ensure the right casting for the right job.


Illustrated is a 96,000 lb. turbine runner for use with a vertical waterwheel generator. Pioneers in the development of special steel castings, Dofasco has now launched a gigantic steel casting program to help meet central station needs providing additional hydro-electric power.

DOMINION FOUNDRIES & STEEL Limited
HAMILTON • CANADA